reason

SEPTEMBER 1976 $1.25

METING OUT INJUSTICE
WILLIAM R. HAVENDER

POLICEMEN OF THE PRESS
E. C. PASOUR, JR.

MENCKEN VS. AMERICA
THOMAS WINSLOW HAZLETT

THE CROCK IN THE COSMIC EGG
GEORGE MORRONE

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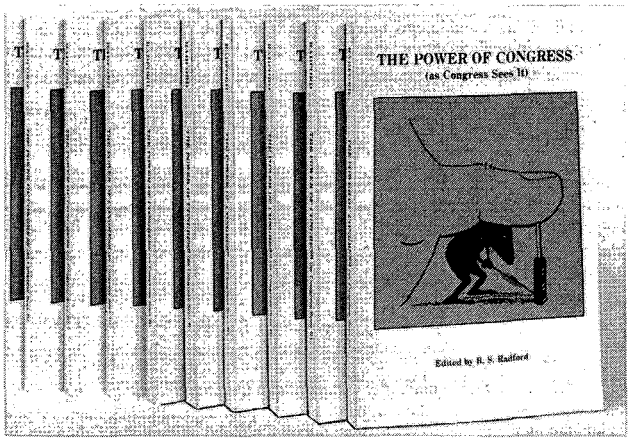

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LeFevre's original letter and the ensuing correspondence have been brilliantly edited and annotated by R.S. Radford, who teaches at the University of Southern California. An active member of American Mensa, Ltd., Radford publishes the **LibSIG!** newsletter for libertarian Mensans.

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A forum for analysis and commentary, with an emphasis on individual liberty

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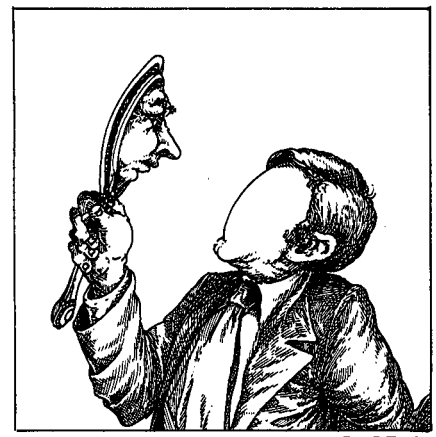

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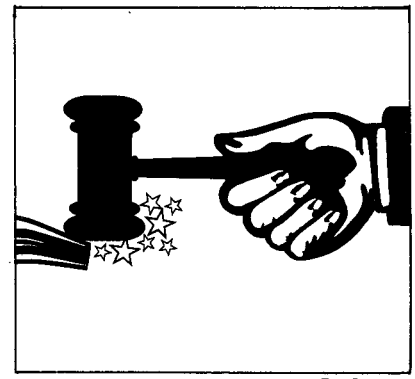

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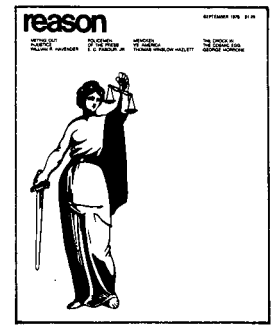

This month's cover symbolizes the theme of William Havender's article on the injustice of applying the concept of group justice.

REASON is published monthly by Reason Enterprises, 1169 Summit Road, Santa Barbara, CA 93108. Tel. (805) 969-6290. Second class postage paid at Santa Barbara, CA and at additional mailing offices. Postmaster: Please send Form 3579 to REASON, Box 40105, Santa Barbara, CA 93103. Copyright ©1976 by Reason Enterprises. All rights reserved. Opinions expressed in signed articles or columns do not necessarily represent the view of the editors.

CHANGES OF ADDRESS: Please allow six weeks for change of address. Send address label and new address to Circulation Dept., REASON, Box 40105, Santa Barbara, CA 93103. Requests for missing issues due to late notice of change of address, or older than two months from current date, will not be honored unless accompanied by payment.

CORRESPONDENCE: Address comments, manuscripts (for return, please include a self-addressed, stamped envelope), classified ad orders (with full payment) and subscription orders to REASON, Box 40105, Santa Barbara, CA 93103. Two copies of manuscript required. Author information sheet available on request. Address mail concerning display advertising to Media Selection Corp., Box 296, Goleta, CA 93017.

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SUBSCRIPTION RATES: Single copies, $1.25. Special Issues, $2.00 and $3.50. REASON publishes two Special Issues annually, which are sent to subscribers at no extra cost. Subscriptions: one year (12 issues) in the United States, $15.00; 2 years, $24.00; 3 years, $32.00. Other countries: add $1.50 extra per year.

BACK ISSUES: Write for back issue list for current prices. Volumes 1-4 are available on microfilm from University of Southern California Library Micrographics Dept., University Park, Los Angeles, CA 90007. Volumes 5 and up are available from Xerox University Microfilms, 300 North Zeeb Road, Ann Arbor, MI 48106.

LETTERS

INDIVIDUALIST FIRE-FIGHTERS

Before getting plowed under by the collectivist juggernaut, we, the Fremont Volunteer Fire Department, would like to offer you our story. I write to you because of REASON Magazine's anti-statist position, as well as your professional knowledge of fire protection. Your Scottsdale story [May] was avidly read down at the station.

Improbably enough, a handful of individualist homeowners created an operating fire department last summer in just four weeks, out of thin air and one aging American-LaFrance pumper. The motivation: to keep free of an added level of government (that of the city of Mountain View, bent on annexing the Fremont Fire District tax base to replenish its over-spent budget).

The giants we've fought in these 10 months range from the firefighter's union to the telephone company (to give us a listed instead of unlisted emergency number)! Just warming up is the custody battle with MVFD over Engine 51, a $100,000 Crown Coach pumper being bought by Fremont taxpayers.

If you should be passing by 644B Sleeper Ave., near the Mountain View stretch of El Camino Real, do stop in and visit with the volunteers and fire buffs.

Helen Nelson
Mountain View, CA

SCOTTSDALE ATTACKED

While I applaud the idea of returning the fire service to a free-market discipline, I find that Robert Poole's article [May] is closer to the realm of fiction than the land of truth. In 1974 I researched the Scottsdale Fire Department controversy and my sources tell me that Poole did not research his REASON article. Poole's article is "God's" truth, compliments of Chief Witzeman.

There is good motivation for Witzeman to play the fabulist. Witzeman really is not operating in the free market but is dependent upon a franchise. Whereas the bureaucratic fire chief may rely upon political power or civil service protection in his relations with management, the private producer must give his employers information to show that he is saving them money. Pursuing this end Witzeman consistently and effectively bends the truth to his own purpose.

Consider the following:

(1) In a May 1970 article, "The Challenges Facing the Fire Service," written for FIRE JOURNAL, Witzeman describes a 1969 Scottsdale fire in which a $750,000 shopping center was lost.

> "The glorious thing about firefighting is that in spite of everything chiefs do, we have a big fire and everything goes right. . . . a number of pet ideas we'd been working on in Scottsdale for three years worked like a charm when the chips were down."

The MINNESOTA FIRE CHIEF (May-June, 1973), reporting on the same fire describes what actually happened. It seems that a pickup truck ran over an "innovative" lightweight plastic fire hose, causing it to burst and stopping the flow of water in all of the lines that were on the fire. (Plastic hose is not used by most departments because it is so easy to break.) A fiasco followed with mutual aid from Phoenix and Tempe pitching in to help. Even so, the result was a heavy loss.

(2) In his 1971 Annual Report to the city Witzeman claims that:

> "During the year a major re-equipping program was virtually completed, to the extent that first-alarm engines were brought to an average age of less than four years. Three new pumpers were put in service to accomplish this, all of them built by the department itself."

Here, following his usual modus operandi, Witzeman is distorting reality to make his department look as good as possible. What he should be saying is that three used trucks that averaged four years of age were purchased and converted to fire engines as first line equipment. He should be saying that these trucks had standard commercial chassis of light construction, they could not carry the heavy, regular fire hose, and out of necessity they had to

use the light plastic hose.

(3) Poole reports that Scottsdale has been given a Class 5 fire grade by the Insurance Services Office. Be careful here. Apparently the city has been regraded since I wrote my research paper, but Witzeman used to claim that Scottsdale had a class 6 grade when actually the city was divided into three zones, of which only zone 1 was graded Class 6, and that by virtue of a Class 2 water system supplied by the city of Phoenix. The water supply, the most important item of nine items considered in an insurance grading schedule, compensated for the other items being graded very low and bringing everything altogether up to a grade of 6. Zone 2 was graded Class 8 and Zone 3 was graded Class 9 (very poor grades).

(4) Poole boasts that in 1973 the per capita fire cost for Scottsdale was $5.70, as compared to an average of $24.39 for other cities in the 50,000-100,000 population range. But we are not told that the buildings in Scottsdale are mostly new, that there are actually very few buildings over three stories, that the Motorola electronics plant is the only large industrial plant in the city, and that many of the city's homes are built on lots of one or more acres thereby greatly reducing the danger of conflagration. And what cities is he comparing to? Let's compare Scottsdale to my city of St. Louis Park, Minnesota: pop. 50,000, light residential and apartment housing, loaded with merchantile and industrial properties, many of them large complexes. The average home owner in St. Louis Park paid $5.86 for his fire protection in 1975. This is about the same as the 1975 Scottsdale per capita figure! All of St. Louis Park is graded Class 5.

In conclusion, it is always a mistake for an expository writer to use a man with an axe to grind as his only source of information. Mr. Poole presented an argument from only one viewpoint. If he had researched, he might have discovered that there were others.

Dennis Wilson
St. Louis Park, MN

At REASON's request, Mr. Witzeman replies: I don't know whether to be most irritated because of the time wasted in replying to these intermittent hatchet jobs or to be irritated at the hatchet jobs themselves—but I suspect it is the time demand that irritates me the most!

1. We are not "dependent" upon a franchise in all our areas by a long shot. We are not dependent upon a franchise—i.e., have none—in any of the municipal, fire district, etc., areas which seem to concern this writer. Nor are we dependent upon franchise in a number of our miscellaneous categories. In essence there is probably less than half of our business which is done within franchise areas. And the franchises we have are not the type that restricts somebody else from doing the same thing in our area as a fire district. (Municipalities, etc.—any of these entities can proceed on their own without us if they wish.)

2. The hose wasn't run over by a pickup truck to the best of our knowledge, but there was a hose rupture. It took about five minutes to repair, wasn't the only hose line on the fire so it didn't result in a stoppage of water in "all" of the lines. Large-diameter plastic hose is most certainly used in many departments despite what the writer says and is in fact one of the fastest growing aspects of fire department technology at the present time for reasons that are obvious to most firemen. Phoenix did not turn up on

(continued on page 7)

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EDITORIAL

FREE PRESS VS. FAIR TRIAL

A serious debate is developing over whether the traditional freedom of the press does damage to the recently emphasized rights of the accused. Since the First Amendment of the Constitution guarantees the right of Free press explicitly, and since the Sixth Amendment requires that an accused be given a speedy trial by an *impartial* jury, many consider the issue of "free press vs. fair trial" a serious contradiction in the U.S. Constitution.

The fact is, however, that underlying this debate lies a very far-reaching assumption which has not been clarified. Those who have lined up on either side of the controversy have emphasized the social or moral importance of one of the constitutional provisions over and above the other, hoping that this approach would win them the required constitutional revisions (by limiting the right of the press), or the retention of the status quo (at the acknowledged expense of the accused, however). What is rarely, if ever, realized in this controversy is that it is not the Constitution which embodies a contradiction but the claim that "given a free press, a fair and impartial jury is impossible." Before I explore in just what way this claim embodies a contradiction, let us see how it happens that it has been taken seriously by so many.

Newspapers being what they are, on the occasion of a crime they will explore whatever is newsworthy about the crime, the suspects, etc. Very often information will be offered by newspapers which would not necessarily be admissible in a court of law, as for instance the criminal record of a person who is accused of a crime. Given this sort of information in the press (and other news media), it is assumed there could not be anyone who would be fair and impartial for purposes of serving on the jury. Since the newspapers print their news before a jury is selected, and since most people in the areas read the newspapers (or come in contact with other news sources), by the time jury selection rolls around "the minds of the prospective jurors will be conditioned to pass judgment in certain ways." (This claim about the influence of the press secured Dr. Sam Sheppard his new trial and, eventually, his freedom.)

What is assumed in all this? It is simply that people are incapable of confining their judgments to what is relevant in the situation of a courtroom. In effect, then, the whole controversy of "free press vs. fair trial" is based on the premise that "if a member of a jury knows anything about the accused which has not been admitted into evidence, he cannot, pass judgment over the guilt or innocence of the accused in accordance with the law." This strikes at the very heart of the claim that man has the capacity to be objective.

In ordinary life, we tend to take it for granted that there are prejudiced people to whom it is a waste of time to present facts and arguments, and that there are those however, who are willing and able to listen to a set of facts and base their judgment on this, exclusively. This is what gives us our general confidence in our jury system. We hold, implicitly, that when a number of carefully selected people are asked to judge certain facts in accordance with a set of standards—that is, the law—these people will, through diligence and conscientiousness, apply themselves to this task and accomplish what is expected of them. The controversy I am considering denies this common understanding. It holds that if people are confronted with facts which may lead to certain conclusions, they will not be able to disassociate themselves from these conclusions and facts when so asked, and that they will not be able to pass judgment upon a (legally) relevant set of facts without prejudice. Notice that this is not a claim about what people often *fail* to do but *should* do; it is a claim about what people cannot accomplish by their very natures. So the claim itself goes far beyond the issue of fair trials. It is an indictment of man's ability to rid himself of prejudices, false beliefs, irrelevancies in given situations. The very possibility of objectivity in all matters, including the matter of judging a man accused of a crime as guilty or innocent, is at stake in this controversy.

With the Constitution as it stands, it is assumed that despite free access to information, prospective jurors will be capable, if willing, to confine their judgments to the case and setting (the trial) at hand. The newly sparked controversy denies this possibility; but it does more than that: it denies that any human being is capable of offering objective judgments on anything once he has been exposed to facts which may be related (or may seem to be related) to the situation about which judgment is required.

And here is where the claim indicting human judgment and objectivity runs into serious difficulties. The claim itself, or so its proponents would like to maintain, is objective, unprejudiced, pure, etc. But how can it be? If all human judgments, ranging from those made by jurors to those made by all others, are necessarily fettered by irrelevant facts, prejudices, etc., would the judgment which arrived at this conclusion also be so fettered? And if it is a hampered, disturbed, prejudiced judgment, why should we accept it at all? Is it not the aim of this indictment of the human capacity to make objective judgments to show that such judgments are unreliable precisely because they could not be objective? But if so, then the indictment itself is unreliable and cannot be accepted as valid. So the basis of the whole controversy is dissolved since it rests on a contradiction. If the indictment is valid, then it is invalid; only if it is invalid could it hope to be valid. Thus the indictment cannot be supported at all.

The controversy about "free press vs. fair trial" is sham. It rests on a mistake or misrepresentation of facts. Let us hope that those who could act on such mistakes will not be moved to act on this one.

Let me now add that there is something which should be of concern to those who are interested in maximum justice within the criminal law. This concerns the appropriateness of police and court authorities to supply newspapermen with information not related to the crime in question. Is it right for clerks to release the information on the accused which concerns the accused's record of previous ar-

rests? Should other personal data be at the disposal of the public? Should legal authorities supply reports with any kind of information pertaining to a crime?

These questions require lengthy answers. But they do not pertain to questions of "Free Press vs. Fair Trial." A newspaperman should be allowed to print anything he can get his hands on. Whether a police or court official should be able to release any information to newsmen which happens to be in his trust is an entirely different question. It relates to that other touchy problem of "Open vs. Closed Public Files."

Tibor R. Machan

LETTERS

(continued from page 5)

the fire, Tempe did. We certainly do not hesitate to call for mutual aid from neighboring departments when we need it any more than we hesitate to respond to them when they ask us. We respond to other departments approximately 6 times for every once they respond into our area. The fire was certainly a heavy loss, was not attributable to any factors described by the writer and I will stand by my quoted statement 100 percent.

3. As for the age of our fire trucks, I don't know where he got this one even though it is easy to track down the source of most of his statements. One of my hobbies has become tracing down the various hatchet jobs that have been done on me in the past to their source. This is a new one to me. I can't even figure how the twisting of any facts would create this idea.

4. To say that our trucks have to use light plastic hose is equally ridiculous—the only "necessity" to use light plastic hose is the necessity to stay up to date with technology. And that's a very important "necessity."

5. The city most certainly has regraded—not since his "research paper" was written, but about four years prior to it. This may be the best comment on the quality of the letter and the report.

6. The letter makes a good statement of many things we have going for us here in Scottsdale, but somehow ignores the things we don't have going for us—such as our climate which makes things burn like a bomb, some of the old construction that was built without building codes prior to being annexed by the city and other factors. Nonetheless I generally agree that we do have a good city from a fire protection standpoint and further we have worked very hard to get it that way and to keep it that way. We specifically involve ourselves in municipal government functions which affect most of the items listed—controlling high-rise, heavily inspecting construction for code conformance, augmenting codes with such things as tight sprinkler ordinances, etc.

7. If St. Louis Park has a per capita fire protection cost of $5.86 it is to be congratulated. This is an excellent cost factor and the community and the department should be proud. We are soliciting information from the community to analyze their work.—L.W.

NUCLEAR INSURANCE

I agree fully with the Editorial by Robert Poole, Jr. on the Nuclear Power Issue. Several weeks ago I brought up the insurance issue as being of deep significance in the determination of a YES or NO on the proposition.

The only support I obtained at this public meeting was from the ACLU representative. No rational rebuttal was put forward by any of the industry and utility representatives—in fact they reinforced my points. In brief, if it's so safe and the insurance companies are in the business to make MONEY why not continue to collect the approximately maximum premium rebates they have enjoyed for so long? I learn that the utilities get the rebates which are "so small" per capita as not to warrant refund to the consumer. In toto, of course, the rebates are huge. It sounds like a sure winner for the insurance companies to provide full coverage rather than having the Price-Anderson method. Collusion?

As Poole says, the insurance matter alone completely destroys the whole basis for the techno-economic cost-effectiveness comparisons.

As I said at the meeting, I would rather take my chance in the courts with a full legal liability suit in the event of an accident.

Michael G. Heaviside
Claremont, CA

PRICE-ANDERSON, REVISITED

I would like to comment upon your editorial in the June issue in re Price-Anderson insurance and correct a few misimpressions that may have been created.

The taxpayers do not "pick up the tab" for the balance of insurance. The utilities pay $90,000 per reactor per year for this insurance from the government acting as the carrier. So far, there has never been a claim against this portion of the insurance and the premiums are accumulating. In addition, there is a $1-million deposit made. All of this accumulates in a fund which, as the number of reactors increase during the present term of the renewed Act, will operate to give sufficient reserves to make the insurance unnecessary thereafter.

While it is true that the estimate of the worst-case accident could total $14 billion, the Rasmussen Report (WASH-1400) assigns to this a probability of one in one billion per plant. I am rather surprised that a responsible libertarian such as Mr. Poole would base his case on a quotation from Senator Gravel, who has anything but libertarian credentials, in estimating the premium cost for full coverage. Rather, I would refer him to the excellent analysis of engineer-economists Boskin and Gilbert from Stanford University in "The California Initiative" by the Stanford University Institute for Energy Studies, in which the following paragraph appears starting on Page 57:

> Private insurance companies do not have the resources to fully insure against the risk of nuclear power (or, for that matter, against the risk from hydropower). The Initiative requires complete insurance, and this would not be available from the private sector. There is no reason why this need could not be met by the government. The Price-Anderson Act could be amended to meet most objections by raising the indemnity limitation to, perhaps, $20 billion. Neglecting the costs of administrating (sic) the insurance pool, the appropriate increase in insurance premiums to account for this amendment can be estimated. For a

I am looking for a **FREE MARKET** attorney practicing in Manhattan who is a proponent of the "Austrian School" of thought to supervise me in a law office study program. **Mr. Kish 801 Central Ave., Ocean City, N.J. 08226.**

REASON'S COMMENT OF THE MONTH

The letter below, by subscriber Arthur M. Diamond, Jr., appeared in the Summer 1976 issue of the *American Scholar*:

THE NIGHT WATCHMAN STATE

In his review of Robert Nozick's, Anarchy, State, and Utopia *(Winter 1975/76) George Kateb errs on several important issues. Of these I'll mention only three.*

Firstly, the claim is made that Nozick's arguments, which Kateb admits to be "strong and effective" against economic egalitarianism, are directed against a straw man, since the true rationale behind liberal social programs is not economic equality, but the alleviation of misery. But if this is the true liberal rationale then Nozick's libertarianism is thereby easier *to defend, not harder. For if the object of the liberals has been, not equality, but the alleviation of poverty and "the misery of millions," then the defense of laissez-faire moves out of the realm of ethics and political philosophy and into that of economics. Here Nozick is no longer a lone knight but is joined by an army of economists who have argued both from the theory of the marketplace and from the historical evidence that the liberal end is most effectively achieved by the libertarian means. So Adam Smith argued 200 years ago in the* Wealth of Nations. *So Nobel Prize-winning economist Hayek argues today. Even within the Democratic party, that traveling medicine show renowned for peddling government as the universal elixir, doubt is being expressed. The old medicine has been tried and it doesn't work. Listen to Jerry Brown, Dan Walker, or Michael Dukakis. Read Ed Muskie's speech to the Liberal party of New York. Examine the pages of* Commentary *and the* Public Interest. *If, as Kateb claims, Nozick had been looking for an easy target he would have found it, not in the ethics of egalitarianism, but in the economics of the welfare state.*

Secondly, Kateb claims that "the night watchman state can be a police state." In ordinary usage "police state" refers to a state possessing vast powers to interfere with the freedom and lifestyles of citizens. Given this ordinary interpretation, Kateb's claim is absurd. Nozick's night watchman state is limited to the functions of protection against force and fraud and is therefore the antipode of a police state. It is true that this limitation of functions does not by itself imply that a certain form *of government is better than another. Here it would be necessary to determine which form is most likely to remain limited to the proper functions and which form is least costly given the historical circumstances of the actual concrete community being considered. Even after these considerations are dealt with there may remain a range of forms compatible with the functions of the moral state. But there is no reason for alarm in* this. *Fortunately we are more advanced than the ass who starved because he could not decide which of two equally nourishing bales of hay to eat.*

Finally, Kateb asserts that "the telos of the minimal state is the tribal society." Here Kateb has failed to understand that what Nozick seeks in a political system is not a particular social result but rather a framework in which men may freely choose their own social arrangement. Thus it is true that a man in the night watchman state could live a primitive tribal existence if he so chose. But this certainly does not imply that Nozick himself would recommend that way of life. In fact Nozick proposes that "a person's shaping his life in accordance with some overall plan is his way of giving meaning to his life." As it stands this is admittedly somewhat vague, but to me at least it suggests not the accident-fraught stagnation of tribal existence, but rather a life of growth and creativity in a developed society.

Arthur M. Diamond, Jr.
Chicago, Illinois

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conservative calculation, assume that the probability of an accident that causes more than $560 million in damages is one in one million per reactor year, and if the accident occurs the damage claims will total $20 billion. A fair increase in insurance premiums for each plant would be approximately $20 billion/1 million, or $20,000 per year. A small amount relative to the operating costs of a nuclear power plant.

No project, no individual is completely insured for the maximum conceivable damage that he can cause. Folsom Dam is insured for $50 million, but if it broke in an earthquake 270,000 people would die according to a UCLA study. The problem that Price-Anderson sought to solve was that without sufficient actuarial experience there is no way that a private insurance company could ascertain its exposure. With another 10 years of perfect safety record and more plants on line the private insurance will no doubt be increased. It has already been increased and the premiums lowered.

One thing to remember about Price-Anderson is that it is *no fault* insurance. The victims, if any, are compensated immediately upon proof of loss, and do not have to wait years in the courts to prove negligence as they would with most private insurance cases.

I cannot view Price-Anderson as anything like "a travesty, a misuse of the law by the powerful at the expense of ordinary citizens." So far, it has cost the taxpayers nothing and with odds of one in a million of an accident exceeding its limits it is likely to never cost the taxpayers anything. Given our present system, Price-Anderson is not only logical but necessary. Only if a nuclear power were developed in a truly libertarian way, without taxation or regulation, would I agree with Mr. Poole that having the government as an insurance carrier is incorrect.

R. W. Johnson, P.E.
Ben Lomond, CA

How to survive savage, triple-digit inflation.

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The same economists who got caught with their pants down by the 1974-75 recession are now forecasting a glorious 1976. But the recession turnaround is also signalling something else: the imminent return of savage, triple-digit inflation.

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No doubt about it. The single greatest threat to your living standard is runaway inflation. And nothing the President, Congress, or the Federal Reserve can do will prevent it, without bringing on a severe depression. The course is set and it's now irreversible!

Professor Hans F. Sennholz is one of many economic authorities who agrees. On the front page of the *Wall Street Journal*, he was quoted as predicting:

". . . the purchasing power of the dollar must fall at even faster rates . . . Two-digit inflation comes to an end with the advent of *three-digit inflation.*"

THE WORLD-WIDE INFLATION DILEMMA

To whose who understand world events, the coming hyperinflationary crisis is clearly visible. Consider the evidence all around us:

- In Argentina, the cost of living rose *335 percent* in in 1975. (An interior decorator in Buenos Aires found it cheaper to paper walls with hundred-peso notes than with wallpaper!)
- In Chile, consumer prices rose *400 percent* in 1975. Life is marked with shortages, black marketeering, food lines, and civil disorder.
- In Great Britain last year, the inflation rate was 21 percent. In Italy, 17 percent. In Japan, 12 percent. These astonishing rates at a time when world inflation was supposedly receding. This year or next, these rates could double, maybe triple.

There is nothing new about hyper-inflation. Since World War I alone, some *sixteen* countries have suffered annual inflation rates over twenty percent.

In Hungary, the 1945-46 inflation saw prices increase an average of *19,800 percent per month.* Worthless paper money was burned for heat!

But history's grimmest example of runaway inflation occurred in Germany. It wiped out the middle class and fostered Hitler's rise to power. Between August 1922 and November 1923, wholesale prices rose over *seven trillion percent!* In April 1923, a newspaper cost 200 marks. By July, 2,000 marks. By November, eight *billion* marks.

RUNAWAY INFLATION IN AMERICA?

But, you may be asking, could such inflation happen here? The answer is: it *has* happened here!

During the Civil War, prices in the South rose an average of ten percent per month for 31 consecutive months. Even in the North, inflation reached high double-digit levels.

After the Civil War, a gold-backed dollar enjoyed a period of stability. But with the coming of the "New Deal," the dollar was cut loose from gold. Private ownership of gold was outlawed. And politicians were free from the discipline that gold imposed.

As a result, the 1933 dollar is today worth just 23 cents. And it's still falling! In just four decades, consumer prices rose by an astonishing *344 percent!* In the last two years, the price of *Time* and *Newsweek* increased by 50 percent. Coca-Cola by 100 percent. A shoeshine by 80 percent. A McDonald's cheeseburger by 35 percent. Cigarettes by 32 percent. Clearly, this is inflation running out of control.

And worse inflation—*much* worse—could strike before the year is out. The frightful deficits now being piled up by this wild-spending Congress plus forty years of grossly mismanaged fiscal and monetary policies have brought this country to the brink of an economic nightmare.

Living costs are ready to explode. Shocking *shortages* will follow. The gasoline and food shortages of 1974 were just a hint of what's in store. Bankruptcies by the thousands. Banks collapsing by the hundreds. State and municipal governments will follow New York into bankruptcy. In some areas, *violence, food riots,* and *physical danger.*

Exchange controls will prevent you from sending your money abroad. The government may again outlaw private ownership of gold. Travel abroad will be restricted. Wage and price controls will be imposed.

Unemployment and *food lines* will be in store for most Americans. People living on fixed incomes will be wiped out. Social security benefits, savings, pensions and insurance policies will become worthless.

YOUR OWN INFLATION-SURVIVAL INSURANCE PLAN

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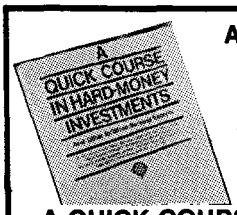

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4. *Investing In Rare Coins For Profit And Pleasure,* by Richard Suter
5. *A Swiss Bank Account For You,* by Robert Kinsman
6. *A Complete Guide To Commodities Futures Trading,* by Eugene Jackson
7. *Fine Arts And Antiques: Investments To Enjoy,* by Richard Rush
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TRENDS

THE HUMPHREY-HAWKINS PUNCHING BAG

In recent months, a pantheon of liberal economists has lined up to repudiate—in whole or in part—the Humphrey-Hawkins "Full Employment Bill." So deafening has been the uproar from economists and respected publications, in fact, that the bill seems unlikely to survive in its present form.

Harvard Professor Otto Eckstein, a former Democratic member of the Council of Economic Advisors, gave a flat "no" when asked if he supported the measure. "I don't have to," he said. "I'm not running for President." Other economists, while paying lip service to the ideals of the bill, consider it to be wildly inflationary. Professor Michael Wachter of the University of Pennsylvania says that reaching the three percent unemployment target set by the bill would trigger inflation of 15 percent or more.

The most disturbing sections of the bill to the liberals are those that would make the government guarantee everyone a job at "prevailing wage rates." To achieve the targetted unemployment rate, points out Professor Sar Levitan of George Washington University, the government would have to prod the economy into a 7.5 percent yearly growth rate for each of the next four years. The government could only achieve such growth rates through an explosive growth in the money supply, or by creating an enormous public jobs program.

One study by the Department of Labor claims that budget estimates of $20-40 billion a year for the program have "vastly understated" the costs. According to the U.S. Chamber of Commerce, the true price tag would be about $80 billion. Hubert Humphrey, of course, blithely denies that his measure would have any significant impact on the rate of inflation. But some of his colleagues are not so sure.

In June, Senators William Proxmire and Harrison Williams began working on new legislation to split the bill in halves. The first half, which would be rushed through in the fall, would be basically a symbolic exhortation on behalf of low unemployment rates. The detailed measures of the other half, including closer Congressional control of the money supply and a mechanism to establish national planning goals, would lie dormant for this session.

In view of the reception from academics and the liberal press, the most ominous measures may even be simply forgotten. As the *Los Angeles Times* editorialized, the bill "would be dangerously inflationary without necessarily accomplishing what it promises to accomplish." Jimmy Carter, who endorsed the bill to win the favor of organized labor, might be excused a smile of relief if Humphrey-Hawkins loses its teeth.

SOURCES:

- "What Humphrey-Hawkins Would Mean," *Business Week,* May 31, 1976.
- "Blunderbuss Jobs Bill," *Los Angeles Times,* June 22, 1976.
- "Moving to Water Down Humphrey-Hawkins," *Business Week,* June 14, 1976.

CUTTING BACK BUREAUCRACY

Efforts to cope with America's ever-expanding maze of government agencies and programs are continuing. In the past 15 years, while 236 new Federal agencies, bureaus, and departments have been created, only 21 have been abolished. There are now over 1,100 Federal domestic assistance programs, including 228 programs just funding local health care activities.

Two major Federal reforms are under consideration. One, proposed by the administration, would set up a four-year cycle for reform of all government regulatory agencies (including the newer agencies such as OSHA, EPA, and the EEOC). In each of the four years, certain specific agencies would be up for review; the president would be required to send reform proposals to Congress in January and if Congress did not act during that calendar year, the reform would automatically become the pending business on the floor of both houses until action was taken.

A more sweeping proposal is S.2925, cosponsored by 38 senators ranging from Barry Goldwater and Jesse Helms to Edward Kennedy and Hubert Humphrey. Titled the Government Economy and Spending Reform Act of 1976, it would apply to all Federal departments, agencies, and programs (except Social Security and interest payments on the national debt), not just to regulatory agencies as would the Ford bill. S.2925 would do the following:

- Subject the agencies to "zero-base budget" review every five years,
- Terminate all those that did not successfully complete such a review, and
- Consolidate Federal programs with overlapping functions.

Zero-base budgeting refers to the requirement that each agency or program justify its *entire* budget and existence, not just its proposed increase from the previous year. In each year of the proposed five-year cycle, a specific set of related program areas would be evaluated, to facilitate the identification of overlapping or competing programs. The impact of no expenditures, or various levels below or above the previous year's budget, would be evaluated by Congressional committees, with GAO assistance. S.2925 was approved unanimously by a Senate government operations subcommittee in May, and sponsor Edmund Muskie has expressed guarded optimism that it might become law this year.

The state of Florida has already beaten the Feds to the punch. Zero-base budgeting went into effect in the Florida legislature earlier this year, and all state agencies are being asked by the Appropriations Committee why they believe they should not be abolished in 1977. Preliminary indications are that many useless and redundant programs are being uncovered. In addition, a "sunset law" that would subject 100 regulatory laws to potential abolition every six years, will go into effect on Jan. 1, 1978 in Florida.

SOURCES:

- "Total Regulatory Reform Urged by Ford," *Aviation Week,* May 17, 1976, p. 34.
- "Taxpayers Support Spending Reform," *NTU News,* May 1976.
- "Bill to Cut Federal Programs Gains," *Los Angeles Times,* May 14, 1976.
- "Historic Budgeting Approach," *The Florida Libertarian,* May 1976, p. 5.
- "Laws That Self-Destruct," *Ibid,* June 1976, p. 6.

SALESMEN FOR ADVERTISING

In the heyday of John Kenneth Galbraith, defenders of advertising fought a lonely, losing battle. But now the conventional wisdom on the subject is collapsing on all sides. Instead of being viewed as a creator of unnatural appetites in an unwary public, advertising is finding new friends in consumer-protection and academic circles.

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All groups run on Saturday and Sunday, 10 a.m. to 6 p.m. The fee for the workshop is $125.00.

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Please indicate the weekend you wish to attend and indicate an alternative choice if possible.

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All of the above workshops are given in Los Angeles. You are invited to inquire about weekend workshops offered by Dr. Branden in New York City.

largely from Professor Phillip Nelson of the State University of New York. Extending the earlier analyses of Professors Yale Brozen and George Stigler, he argues that advertising undermines, rather than promotes, monopoly. For years, economists of an interventionist stripe castigated most advertising as a way of fostering imaginary distinctions between products. According to this view, consumers were bamboozled into brand loyalties that discouraged new competitors from entering a market.

Nelson replies that advertising conveys a very important, if implicit, message to the consumer. Because no advertiser will waste money to heavily promote inferior goods, the consumer can be almost certain of receiving greater value for his money by purchasing a well-advertised product than an unknown one. Companies publicizing an inferior product may persuade a consumer to try it—once. Says Nelson: "Companies are trying to get consumers to try their products, but they live or die from repeat purchases."

While heavy advertising is a virtual guarantee to consumers of quality, Nelson finds an even more fundamental defense of advertising campaigns: their anti-monopolistic effects. He observes that the more consumers learn about the quality of goods, the more sensitive they become to prices. Advertising enhances awareness of quality differences, and thus allows people to make better calculations of the value available at different price levels.

The anti-monopolistic effects of advertising have become apparent even to various government agencies. In June, the Justice Department filed a lawsuit against the American Bar Association, accusing the group of unreasonably prohibiting lawyers from advertising fees. (The ABA had voted earlier this year to allow lawyers to advertise fees and services—but only in ABA-approved journals). The Justice Department, noting that the ABA prohibitions are given the force of law by state legislatures, declared the ban to be an illegal restraint of trade. In California, in a similarly unusual display of good sense, a Superior Court judge revoked a decree prohibiting advertisements by a large optical firm. The judge indicated that the state law forbidding eyeglass ads was unconstitutional in the light of recent Supreme Court rulings.

An article in the *Journal of Law and Economics* published in October of last year, shows how much consumers stand to gain if the advertising advocates continue to get their way. Analyzing the cost of services in markets dominated by "professions" that ban advertising, the authors conclude that over-pricing is rampant. They note that the number of people using eye care services appears to be about half of the number who need it, largely because of sky-high prices. Overall, they say, "prices appear to be 25 to 40 percent higher in the markets with greater professional control."

SOURCES:

- "A New View of Advertising's Economic Impact," *Business Week,* December 22, 1975.
- "Justice Department Files Suit to Allow Lawyers to Advertise Fees," AP (Washington), June 26, 1976.
- "Optical Firm Wins Right to Advertise," *Los Angeles Times,* June 17, 1976.
- "Regulating Through the Professions," Lee Benham and Alexandra Benham, *Journal of Law and Economics,* October 1975.

CREEPING CAPITALISM IN LATIN AMERICA

Facts of life have begun to dawn upon the rulers of two socialist countries south of the border. In Uruguay, a once prosperous nation whose economy was ruined by rampant taxes and economic controls, the government has decided to take its hands off most of the financial sector. And in Castro's Cuba, the workforce now finds itself tempted into higher productivity by a system of material bonuses.

The turnabouts reflect an admission by both governments that the carrot works better than the stick. Uruguayan workers, during the 1950's and 1960's, repeatedly voted to expand the bloated public sector—driving productive business into the ground and raising taxes and inflation to confiscatory levels. A collapse of the democratic system in 1973 brought to power an autocratic clique, one of whose first tasks was restoring the economy.

Since then, controls have been stripped away. Uruguay's rulers envisage their country becoming a Switzerland-style financial center, as a result of new bank secrecy laws and an end to curbs on free movement of capital. Their approach is already paying off: foreign deposits in the country sextupled last year. Domestically, personal income taxes and inheritance duties have been eliminated, and import and export restrictions are being relaxed. Inflation has fallen from 107 percent to 60 percent in the past two years.

Uruguay retains some controls—particularly on bank interest rates and purchases of capital goods abroad—and continues to support a swollen social security system. But economic policymakers have admitted that these too are counter-productive, and have recently introduced a bill that would repeal the interest rate controls.

While Uruguay has been making giant strides towards the free market, Cuba has taken a baby step, albeit a significant one. Under a new policy promulgated by Fidel Castro, Cubans who produce more than the norm for their job receive more than praise. They get a financial bonus. On the other hand, those who produce less than the norm have their wages cut.

In the past nine months, this heretical policy has shown dramatic results. One-third of the country's two million workers now participate in the system. Longshoremen productivity is reported to have doubled—and milk producers increased their productivity by 81 percent while cutting salary costs by 44 percent. The incentives resemble those in effect in other workers' paradises such as East Germany and the Soviet Union. They put another nail in the Marxist credo of "from each according to ability, to each according to need."

SOURCES:

- "Uruguay Wants To Be Key Monetary Area," *Los Angeles Times,* February 9, 1976.
- "Work More, Earn More Plan Boosts Cuban Output," *Los Angeles Times,* June 11, 1976.

MILESTONES

- *Tying the CAB's Hands.* Although no measure has much chance of passage this year, three proposals to curtail the power of the Civil Aeronautics Board are before Congress. One comes from the CAB itself; although vaguely worded, it would ease entry and exit restrictions in the industry and permit marginally more rate flexibility. Another comes from Sen. Howard Cannon, head of the Senate aviation subcommittee. His bill would do little to ease route restrictions, but would allow far more pricing freedom than does the CAB package. The White House proposal (see July Trends), which predates the other two, would phase in relative freedom over pricing, routes, and entry over several years. Administration officials say the CAB's proposals will be acceptable, however, if ambiguity can be eliminated about the speed and procedures for deregulation. (Source: "Reform To Get Legislative Boost," *Aviation Week,* June 28, 1976.) ■

YOU CAN CUT LOCAL TAXES

Property taxes are soaring in almost every community. Angry taxpayers are asking: Isn't there some way to bring local government spending under control?

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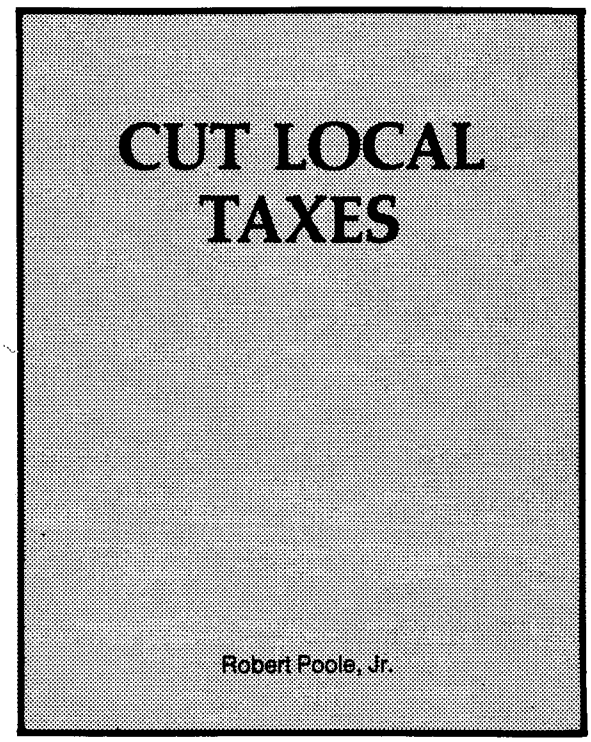

(CUT LOCAL TAXES is the first of its kind—a handbook for taxpayers that applies private enterprise approaches to municipal problems. Unlike some libertarian publications, it deals with facts rather than theory about privatization, performance contracting, and other steps to economy in government. Whether you're looking for material to launch a political campaign, or for a lucid guide to influence taxpayers of all persuasions, CUT LOCAL TAXES is for you.)

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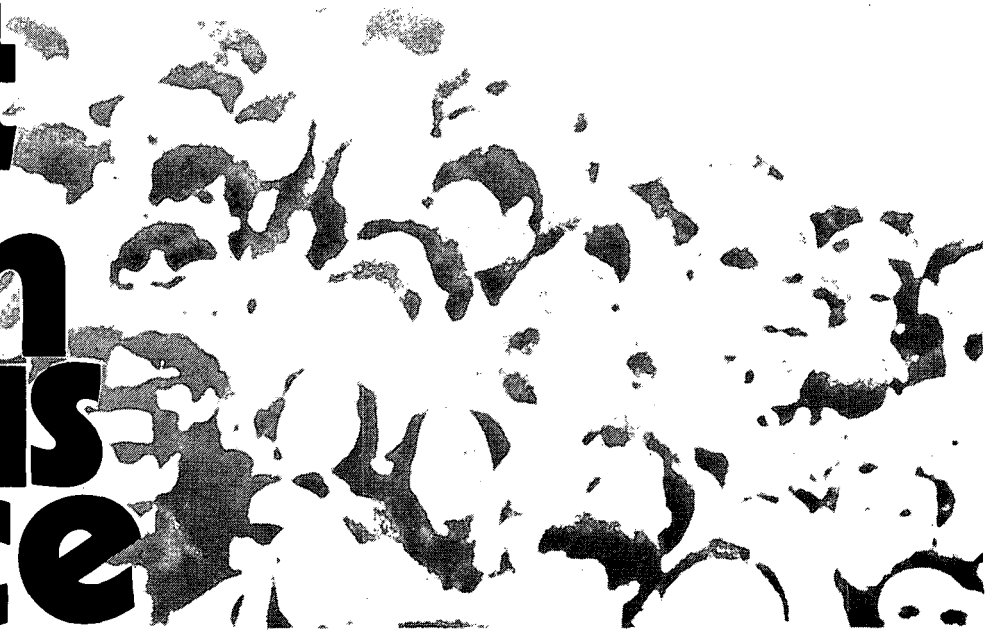


WILLIAM R. HAVENDER

"The characteristic error of the constructivist rationalists in this respect is that they tend to base their argument on . . . the fiction that all the relevant facts are known to some one mind, and that it is possible to construct from this 'knowledge of the particulars a desirable social order. . . . They seem completely unaware that this dream simply assumes away the central problem which any effort towards the understanding or shaping of the order of society raises: our incapacity to assemble as a surveyable whole all the data which enter into the social order. Yet all those who are fascinated by the beautiful plans which result from such an approach because they are so 'so orderly, so visible, so easy to understand,' . . . forget that these plans owe their seeming clarity to the planner's disregard of all the facts he does not know."

— F. A. Hayek, *Law, Legislation and Liberty*

William Havender received his B.S. in horticulture from Cornell University and his Ph.D. in genetics from the University of California at Berkeley. His writings have appeared in a number of technical journals and in The Alternative.

"The concepts of a 'just price,' a 'just remuneration,' or a 'just distribution of incomes' are of course very old; it deserves notice, however, that in the course of the efforts of two thousand years in which philosophers have speculated about the meaning of these concepts, not a single rule has been discovered which would allow us to determine what is in this sense just in a market order. Indeed, the one group of scholars which have most persistently pursued the question . . . were finally driven to define the just price or wage as that price or wage which would form itself on a market in the absence of fraud, violence or privilege. . . .

— F. A. Hayek, *Studies in Philosophy, Politics and Economics*

One sign of the lengthy distance we have travelled away from the liberal, individualist origins of the American political order is the surprising prevalence of the visualization of social discrimination as a problem of attaining the proper ratios between *groups* rather than of attaining justice for the individuals that compose them. Basic to the persuasive force of this view is the sorry failure to recognize that justice-to-a-group can never be more or less or other than justice to its individual members. If the component individuals have been treated fairly, then in fact the group, too, has been fairly treated. Conversely, there is no way to treat a group *un*fairly without being unfair to at least some of its members. The concept of "group justice" is, then, logically derivative from and hence completely determined by the degree of justice experienced by the separate members of the group.

This might seem all too obvious, but its practical implications are only rarely heeded. Consider the problem of redressing past discriminatory injustice in, say, hiring or university admissions. Thanks to the foregoing criterion, nothing is easier to see than that any prior wrongs were committed against certain *individuals* by other *individuals.* Thus the proper moral procedure here, as in torts in general, is to seek restitution for the victims from those responsible for harming them.

It would seem ludicrous to assess a penalty upon persons innocent of inflicting the original injustice and to transfer these assessments to persons who were *not* the victims of the original discriminatory actions. Yet this is the explicit goal of the widespread advocacy and practice of giving "preference" in jobs and admissions to members of social groups that are thought to suffer "generally" from prejudicial treatment. For here not the slightest effort is made to identify or prove *specific* acts of discrimination against *specific* persons, nor to indemnify *these* victims, nor to penalize the agents responsible for *these* unjust acts. No, if this scenario is played out, the perpetrators get off scot-free. Instead, certain of the new applicants (usually the least-favored, marginal ones) for the positions in question, themselves admittedly innocent, are singled out in expiation of a sort of original sin. They are made to pay the full cost, in terms of denied acceptance, of "redressing" (a clear malapropism) diffuse acts of past discrimination by *others.* (Note that these costs are not *evenly* distributed over the "guilty" group as a whole.) The difference between this and the early Biblical custom of transferring the sins of the tribe to a goat and sacrificing *it* in atonement escapes discernment.

Nor is the accuracy of the acts of restitution any better. Here certain others among the new applicants—who make no claim that they were ever harmed by the duly chosen scapegoats and who are hence in no way entitled to compensation from them—nevertheless receive it. This would surely seem a strange form of justice. The original victims have not been compensated, and the original perpetrators have paid no penalties; unoffending people are punished, and strangers are benefitted. Truly there is only madness in this method.

What ought to be even more deterring is the realization that, rather than at least staying once and for all the bad old practice of not judging individuals by a uniform and fair standard of merit, this policy commits, with an air of pious self-righteousness at that, brand new acts of this self-same sort. The target of unfairness, to be sure, has been changed, but not unfair treatment itself. It is hard to see that a policy like this that continues to make mistakes, rather than amends, is a very notable advance. For so *respectable* a purpose there must surely be a less-confused solution, and indeed there is: the proper course of remedy for discrimination clearly is first, to *refrain* from it, second, to make restitution to particular persons unfairly treated in the past, and third, to lay on condign punishment for those specific persons responsible.

This instance illustrates how substituting the group for the individual as the basic social unit in terms of which "justice" is defined can easily be alchemized in actuality into the grossest kind of *in*justice. As Paul Seabury writes, "When access to privilege is defined on ethnic-community lines, the basic issue of individual rights is evaded" (*Commentary,* Feb. 1972, p. 38).

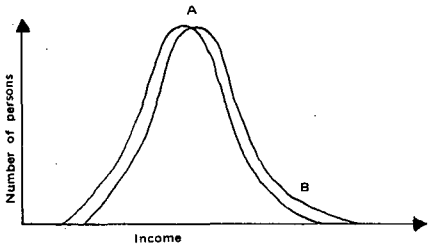
Even if one concedes this point—that justice must be sought at the individual level, not the group level—one might still imagine that it is valid to *estimate* the discrimination faced by the members of a group: just look to disparities between the group's statistics and the national average for income, unemployment, and the like. Indeed, nothing is more commonplace these days than dutifully to tote up and compare such group statistics and ritually to attribute any discrepancies to the parlous state of justice. Or to lament over variations in group representation on the ascending levels of a job hierarchy. Such arguments are given a certain plausibility by the occurrence of really surprising group disparities, such as the fact that women comprise only some one percent of the tenured faculty at Berkeley.

The very simplicity of this operational approach lends a certain allure—to some irresistable—to the remedial policy it suggests, namely, to rearrange persons so as to make the group ratios come out "even." Yet the key premises presupposed by arguments of this type—that group parameters *do* truthfully and reliably reveal the amount of discrimination being experienced by the group's members and that no group differences would be manifest in the absence of discrimination—have rarely if ever been subjected to the critical examination they deserve. Could it be that there *are* processes or factors at large in society

such that group ratios diverge for reasons *other* than discrimination? If so, all such influences must first be ruled out before any particular suspicion of prejudice arising from aberrant group concentrations can be taken seriously.

Strong reasons exist for doubting both of these assumptions. Concerning the first, it is obvious, for example, that simple group averages combine the effects of current *as well as past* influences. Such parameters are necessarily insensitive to the state of continuing—that is, to *new* occurrences of—discrimination, which is the prime target of most remedial legislation. A famous example of this is Daniel Moynihan's widely cited report that, while the income of blacks overall was only some 60 percent of that of whites, the income of *young,* intact Northern black families was some 93 percent of that of comparable white families. The latter statistic, of course, includes to a much smaller degree the effects of events long past, and it gives a very different picture indeed of the degree of progress being made. (This is, however, not the only cause of the difference in these figures. Also important is that the proportion of families headed by women is much higher among blacks (34 percent in 1974) than among other groups.)

A second pitfall in making group comparisons is that what may in fact be only a minor difference in group *averages* will appear as a large difference at the *extremes* of the distributions. Consider the following hypothetical income profiles of two groups:



In the vicinity of the means (averages) of the two distributions (A), the difference in numbers of persons at each income level is hardly noticeable. But a cut at the high (or low) income extremes (as at B) would show two or three times as many members of one group at that income level as at the other. Thus the conclusion one would draw concerning the need for remedial action would be very different depending upon whether one looked at extreme or average situations. Moreover, the respective distributions need not have the same spread (variance) or shape, or be symmetrical, or even have only a single peak. (One factor that could easily generate multiple maxima would be distinct waves of immigration, for example, pre- and post-1945 East European immigration. Relative group proportions in *rare* positions at best (assuming profiles of the same shape) grossly exaggerate and at worst tell nothing at all about the degree of discrimination confronted by the entire group. The importance of this point lies in the fact that inferences of just this type are made whenever one cites group disparities in highly competitive, rare positions—such as the tenured faculty or the entering classes of the best universities, or the top management of large corporations, or the leading politicians—as evidence of "pervasive" or "massive" discrimination against a given group.

Yet another reason for exercising care in drawing such conclusions from local group disproportions is that, while any given selective step may itself introduce only a small difference between two groups, this effect can be greatly magnified by passage through many such "gates" acting in the same direction. For example, a modest selective differential that would convert a starting ratio of 50:50 to 55:45 in one step would, if repeated 10 times, result in a final ratio of some 80:20. Or, to view this in the reverse direction, we might easily find ourselves exercised at a group disparity of the latter size without being able to find, among the multitude of successive selections attendant upon progressing through high school, college, graduate school, and job seeking, any single locus responsible for it. And of course, before we could remedy unfair treatment, we would first have to locate it clearly.

Likewise risky is the second presumption underlying the use of group ratios as proxies for the degree of discrimination encountered by individuals—that no material factor differentially correlates with group identity, so that in the absence of discrimination no differences in group statistics should be evident. An important report appeared recently concerning discrimination against women in admission to graduate study at Berkeley in the fall of 1973. The composite figures showed approximately 20 percent fewer women accepted than would have been expected on the basis of equal probabilities of admission for the two sexes. Yet when the university departments, each of which passed independently on its own admissions, were examined one by one in an effort to identify the low culprits, only a few were found with significant sex imbalances at all. Moreover, those that had admitted an excess of men were *more* than balanced by those with an excess of women! How could this startling result be reconciled with the "excess" of males clearly evident in overall admissions?

It is, of course, well known that it is not equally easy to enter the 101 departments at Berkeley; the proportion of applicants admitted in 1973 ranged among departments from less than 20 percent to more than 80 percent. As it happened, the two sexes had not applied in equal ratios across this range; more of the women had applied to the *more* selective departments. Within such departments men and women had roughly equal, though low, chances of acceptance. When these data were combined with those from departments that had turned away a much smaller proportion of their applicants but that also had had a much smaller proportion of women among them, the result was the statistical illusion of overall bias against women. In this instance it would have been a grave error to assume that men and women were identical in all the traits pertinent to this selection, since they clearly differed in one *very* pertinent way, namely, their evinced preferences. Of course, this difference could itself have been conditioned by discriminatory influences *elsewhere* in the society (biased undergraduate counseling, pessimistic expectations of getting jobs in certain fields, etc.). But at *this* particular locus of selection, no additional bias was introduced, despite contrary appearances. (See Bickel, Hammel, and O'Connell, *Science,* Feb. 7, 1975.)

A related situation was described

by Nathan Glazer when he noted that *white* immigrant groups such as Poles, Jews, and Italians, despite long residence here in the "melting pot" and despite having experienced much more modest discrimination than blacks, are still far from being equally spread across the country in the same jobs and residential areas as each other and as other white groups. There appears to be a degree of self-clustering preferred by the members of such ethnic collectivities even in the absence of severe strictures imposed from without. Moreover, residential segregation among blacks has been only moderately more severe than among these whites. This would suggest that no more than a modest portion of the segregation observed among urban blacks could be attributed *specifically* to racial discrimination. Glazer concludes, "To attempt to eliminate through public policy all concentrations of blacks and other minority groups would clearly be to attempt to undo far more than discrimination alone has created." (*Affirmative Discrimination: Ethnic Inequality and Public Policy* [New York: Basic, 1975], pp. 203, 153-155). We seem to have here once again, then, a case in which it would be incorrect to presume a oneness among groups in their *internally* generated choices.

The fallacy of wrongly presuming an identity between groups recurs in other contexts as well. Thomas Sowell notes, for instance, the great variability among groups in their age distribution (*Race and Economics* [New York: David McKay, 1975], p. 150). This factor, as estimated by median age, ranges from 18 (Puerto Ricans and Mexicans) to 23 (blacks) to 29 (Japanese) to 36 (Irish and Italians) to 47 (Russians). This means that parameters such as income, unemployment, and crime rates that are themselves independent functions of age must be corrected for differences in the respective age distributions of the groups being compared. Otherwise an impression of discrimination might arise even though age-matched cohorts had the same incomes, the same risks of unemployment, etc.

Another factor that can generate spurious inequalities in certain group statistics is uneven regional concentrations. Blacks still are more heavily represented in the South than elsewhere, Chicanos in the southwest, Indians on reservations, Jews in or near large cities, Basques in Nevada, and so forth. And one could well imagine that yet another factor is variations in the reliability of the figures being compared. Income figures for Chicanos, for example, might well be biased owing to illegal immigration and the consequent need for covert (and also underpaid) employment. Also, groups differ in the ease of "passing" their most "progressive" members. Groups defined by religion or nationality clearly have it easier in this regard than racial ones, and Indians more so than, say, blacks. So official statistics compiled about the residual members might well suggest in some cases a dreary, changeless picture of group progress even though social integration actually was proceeding apace.

Substituting the group for the individual in defining "justice" can easily be alchemized into the grossest kind of *in*justice.

Groups also differ markedly in the length of time the bulk of their members have been resident in this country. This matters, because the process of group acculturation and assimilation is a slow one that extends over several generations in a sort of "intergenerational relay" (Sowell, pp. 208-12). Andrew Greeley has shown, for example, that certain cultural attitudes can persist through several generations of residence here. (*Ethnicity in the United States* [New York: John Wiley & Sons, 1974]). Naturally, all groups are progressing steadily in acculturation, but they have, after all, commenced the journey at different times and from different starting points. There would thus be little reason to expect a mainly post-World War II immigrant group such as the Puerto Ricans to have achieved the same degree of social integration by 1976 as have the descendants of a mainly 19th-century immigrant group such as the Irish, who when *they* were new exhibited many of the same symptoms of social pathology now often associated with Puerto Ricans.

A group's rate of assimilation is also affected by the "capital assets" its members bring with them—whether or not they are already in command of English, their general level of education, the degree to which their originating culture values future rewards relative to immediate gratifications, the degree to which they are accustomed to urban life and the ways of democratic political power, etc. (Sowell, chap. 8). Variations in such factors can obviously cause *real,* although in the long run transitory, differences in "merit," for example, in productivity as judged by an employer. So even with scrupulously fair assessment of each individual's real abilities on the job, one would *still* observe overall group differences in income, representation in the job hierarchy, etc. The constellation of pertinent factors is evidently specific to each group: upper-class Cubans would probably already be educated, speak English, and know how to run businesses and cope in city life at the time they arrived. Hence they would be in a position from the start to integrate quickly. Rural peasants from Mexico, on the other hand, would most likely have to acquire all of these attributes *after* immigration in order to assimilate fully. This could easily take a generation or two for the entire group.

Yet another factor implicated in generating certain group differentials is the varying selective effects of the immigration rules themselves. The relative social and economic success of black *immigrants,* mainly West Indians, compared with native blacks has been remarked by Sowell (pp. 96-102) and by Glazer and Moynihan (*Beyond the Melting Pot,* 2d ed. [Cambridge: MIT Press, 1970], pp. 34-36. While opinions differ as to the explanation of this difference (the effects of current racism are assumed to be equal), one plausible interpretation would locate its source in the selection effected by the laws restricting entry of would-be-immigrants. These laws might be imagined to have functioned

as a sort of cultural sieve allowing in only the most motivated or otherwise gifted, especially those already in possession of professional skills. It is no secret, of course, that the degree and quality of the legal stringency confronting applicants for immigration has varied greatly as a function of their national origins (and from time to time for a single group, for example, the Chinese).

Also of importance are significant average differences between some groups in manifested IQ (Jensen, *Educability and Group Difference* [London: Methuen, 1973]). The cause is still in dispute, but no one questions that such differences do show up on IQ tests. To the extent that the traits correlated with overt IQ (educational attainments, etc.) are differentially rewarded, this fact alone would give rise to group differences in the distribution of these rewards. Important average differences exist, too, between men and women. Eleanor Maccoby and Carol Jacklin, after a comprehensive review of the relevant literature, consider sex differences in the following traits to be "fairly well established:" verbal ability (females superior by about .25 standard deviations), visual-spatial ability (males superior by about .4 s.d.), math ability (males better, but probably by less than .4 s.d.), and aggressiveness (males substantially more aggressive) (*The Psychology of Sex Differences* [Stanford: Stanford University Press, 1974], pp. 351-52). In addition there are those differences associated with the biological facts of motherhood and the nurture of infants, and the further fact that women have available to them alternative options for social roles that are not commonly open to men. Once again, *differences* in group patterns would be generated by these factors alone even with no additionally prejudicial selections.

This discussion is not meant to be exhaustive, but it shows in impressive variety that the presumption of identity among social groups in all the traits that influence statistical appearances is far more likely to be wrong than right. Also, many of these nonuniformities pertain only to one or a few groups, many are hard to quantify, and most are in constant flux (personal tastes, degree of assimilation, age distribution, regional concentrations, effects of new immigration, etc.). Compounding this initial confusion is the fact that even *fair* societal selections can unpredictably magnify a basically small but real difference in *average* group "merit" into greatly aberrant group ratios in rare but highly visible positions of leadership. And too, overall group averages are slow to reflect *recent* advances in the fight against discrimination.

This fundamental complexity makes it impossible to project by deduction from first principles what the "ideal" social distribution of groups would be in a state of perfect justice. Recall that, given only *two* groups that *were* more or less matched in age, regional distribution, period of residence in this country, acculturation, IQ, prior education, and other "capital assets," as they passed through only a *single* selection step—the cited instance of graduate admissions at Berkeley—there was an unanticipated intricacy that made it impossible to foretell the proper proportions that would result in the absence of discrimination in the composite ratios. And this *single* unexpected fact resulted in a seeming "shortfall" of women of some 20 percent—not at all insignificant!

Could it be that there *are* processes or factors at large in society such that group ratios diverge for reasons *other* than discrimination?

Only by generously positing the fundamental equality of all social groups in all important traits can any departure from statistical parity among groups be equated with discrimination against individuals. However well-meaning, the attempt to thus simplify the fight against prejudice in actuality merely posits away the very essence of the difficulty, namely, how in fact to rectify—to *stop*—discriminatory injustices against *individuals.* Such efforts clearly sacrifice accuracy for ease of analysis, and hence merely mock an approach to justice.

In the light of this impasse at the level of theoretical or "rational" calculation, several writers have directed their attention to an entirely different kind of process for combatting discrimination, namely, the operation of the market. By what arcane means do they envision that the market can reveal and also implement the "proper" group ratios? This would be an ultimate consequence of the fact that the market is constantly valuing (setting the price of) all its factors, including the worth of labor. The standard of judgment here is, of course, productivity. This is not determined by merely *one* person's usually imperfect opinion, but is set repetitively and competitively by all the potential consumers of this productivity in bidding for it. Discrimination means making judgments different from what would be indicated by productivity alone, and the market penalizes noneconomic decisions like this through the able force of competition. In the job market, for instance, if "there were substantial misjudgments of current group productivity, this would mean an opportunity for some employers to reap unusually high profits by concentrating on hiring members of such low-wage groups" (Sowell, p. 165). In this way, a group that has met with discrimination by one employer becomes *preferentially* attractive to any other employer who is merely impartial and fair. And owing to the higher profits that result, such nondiscriminatory employers will tend, other things being equal, to expand at the expense of their discriminating competitors. There is then a considerable *cost* to the person who indulges his taste for discrimination, a cost that will act to discourage this practice as long as he is not indifferent to his rate of return. Analogous considerations hold in the sale and rental of housing, the capital markets, consumer sales and services, and so on.

Harold Demsetz has set forth a thoughtful analysis of the ways in which the market can be used to oppose discrimination (*North Carolina Law Review* 43 [Feb. 1965]: 271-97). I paraphrase it as follows: (a) by offering, especially to or from a com-

petitor, to work for a lower wage or to buy at a higher price or not to buy at all, a "non-preferred" person can force a discriminatory employer or merchant to pay a cost (at least an opportunity cost) for his prejudice; (b) members of a "non-preferred" group can concentrate their imposition of these costs upon a single merchant, thus confronting him with the threat of a major loss (for example, the bus boycotts), and indeed can deliberately select a marginally profitable firm that cannot afford to forgo *any* potential profits; (c) the market provides the mechanism, through the need of other employers and sellers to meet or forestall this enhanced competition, to spread such local successes beyond the situs of initial action; and (d) it is unnecessary in carrying out market operations of this kind to persuade a political majority of its justice, a slow and perhaps impossible task—one can just go ahead and *do* it.

These considerations argue strongly for the presumption that the particular distribution of groups observed in any given situation of interest where there exists competition and incentives for maximizing returns is in fact the best possible approximation to the "ideal" one that would obtain under the condition of fair treatment of individuals. By contrast, in situations where competition is not operative or is hindered—as in profit-regulated, legally protected monopolies or in nonprofit foundations and church organizations, or where workers or professionals can restrict competitive entry into their fields (occupational licensure, some unions), or where price bargaining has been limited (minimum-wage laws, "equal-pay-for-equal-work" rules, rent controls, legal limitations on loan interest)—the cost of all forms of discrimination has been significantly reduced or eliminated. Thus one would expect to find noneconomic considerations in personnel selection to be far more common here than in competitive situations. Sowell has adduced evidence that this is in fact the case (p. 166).

Many areas of American society are clearly highly competitive, and it is correspondingly difficult to accept allegations of large-scale discrimination in these arenas. Probably no field is more competitive than research in fundamental science at universities, especially in physics and biology, and it strains credence to believe that the *very* scarce resources available in those fields are frittered away on training less than the very best persons available. Yet there *are* wild disproportions evident among the workers in these fields *if* one takes gross population ratios as the standard of comparison. There are, for instance, few women or blacks, an excess of Jews and Orientals, and a serious deficit of devoutly religious persons of *any* persuasion.

That ratios like these, and indeed, that the ratios (whatever they are) in *all* departments at Berkeley, at least, are not notably influenced by discrimination is strongly supported by a thorough study carried out at HEW's behest. The study compared group ratios among the faculties of the various departments to those among new Ph.D.'s in the respective disciplines in an attempt to determine how many new persons needed to be hired to match the faculty ratios to the "availability pools," and this in order to carry out the "goals and guidelines" rather than quotas—you do perceive the difference, don't you?—mandated by HEW. This was peculiar on its face, since the current faculty were hired from *past* "availability pools," and there is no reason to expect the ethnic composition of the pool to be the same now as it was in the past.

The molehill result from this mountainous and tendentious effort was that *no* department needed to hire any Spanish-surnamed persons or American Indians to achieve parity; only one department needed to hire any blacks, and it needed only one; and only two departments needed to hire Orientals, and these needed only one each. (Johnson, *New York Times Magazine,* May 11, 1975, p. 18, and personal communication.) (Quietly ignored by HEW in setting its "goals and guidelines" was the perverse discovery that five departments had one or more Chicanos *in excess* of their "availability," six had one or more excess Asians, and seven had at least one extra black! This proves that HEW *itself* lacks conviction in interpreting disparities in group ratios as always due to discrimination.)

Only for women were significant "discrepancies" in the anticipated direction observed at all (31 departments "needed" to take on a total of

DEFENDING THE UNDEFENDABLE

The Pimp, Prostitute, Scab, Slumlord, Libeler, Moneylender, and Other Scapegoats in the Rogue's Gallery of American Society

by Walter Block
Foreword by Murray N. Rothbard
Illustrations by Rodrigues

Dr. Block's list of "undefendables" reads like a rogue's gallery—from the blackmailer to the drug pusher, the moneylender to the prostitute, the employer of child labor to the strip miner—all the object of universal revulsion. They are accused of perpetuating evils, but are really scapegoated by the very people who try to suppress them.

Many of these extreme case studies of the reviled and scorned in our society have considerable shock value. The author fearlessly and with trenchant logic demonstrates their considerable economic and social merit, and forces the reader to think and rethink his initial response. The book, with its provocative and genuinely challenging claims, demonstrates that these so-called "scoundrels" never engage in reprehensible acts of initiatory aggression.

Although written in a lively and humorous style, Dr. Block proves the serious political-philosophical point that in a just society **all** deviant but non-aggressive behavior should be permitted.

Looking through DEFENDING THE UNDEFENDABLE made me feel that I was once more exposed to the shock therapy by which, more than fifty years ago, the late Ludwig von Mises converted me to a consistent free market position. Even now I am occasionally at first incredulous and feel that "this is going too far," but usually find in the end that you are right. Some may find it too strong a medicine, but it will still do them good even if they hate it.

F. A. von Hayek, Nobel Laureate
Institut for Nationalokonomie
Universitat Salzburg

Until this book, no economist has had the courage of Professor Walter Block in tackling head-on the moral and economic status of the dozens of reviled, scorned, and grieviously misunderstood professions and occupations in our society: those whom he rightly calls the "economic scapegoats." This book will be an exciting and shocking adventure for most readers, even for those who believe that they are already converted to the merits of the free market economy.

Murray N. Rothbard,
New York Polytechnic Institute

Startling and illuminating! Block's lucid defenses often convince; sometimes they lead us to sharpen our attack. In either case, the reader cannot fail to be instructed and challenged by this mind-stretching, provocative, and occasionally infuriating book.

Robert Nozick, Department of Philosophy, Harvard University

Many years ago Hazlitt's little masterpiece, ECONOMICS IN ONE LESSON, demonstrated how, in order to measure the consequences of economic activities, one must look beyond their immediately obvious effects to their secondary effects. Here, Professor Block sets out highly specific, and sometimes shocking examples of Hazlitt's thesis. By concentrating on the positive economic contributions of extreme cases, he forces the reader's consideration and greater appreciation of the principles of ECONOMICS IN ONE LESSON.

Robert D. Kephart, Publisher, LIBERTARIAN REVIEW

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some 90-odd women), and even this determination was rendered meaningless by the serious flaw that the "availability pools" were calculated *only* on the basis of total Ph.D.'s awarded nationwide in the respective disciplines and *not* on the basis of having ascertained how many of the women Ph.D.'s actually wanted full-time, uninterrupted jobs and were willing and able to relocate to get them. The single most important factor conditioning these wishes appears to be marriage, since Sowell has shown that *un*married women academics in fact compare rather well in professional standing with their male counterparts. "The gross 'male' versus 'female' comparisons are lopsided largely because married women drag down the averages of other women." (*Public Interest,* Winter 1976, p. 55.)

The empirical result of the HEW study is, then, entirely consistent with the expectation from the theory outlined above, namely, that academic competition by itself has reduced discrimination to negligible amounts. This, then, permits us to give an answer to Gertrude Ezorsky's no doubt rhetorical question: "Why does [Paul Seabury] believe that this kind of justice [that people are rewarded according to their ability and their works] looms so large in academies? Do professors have so much more integrity than ordinary mortals?" (*New York Review of Books,* May 16, 1974, p. 32.) The answer is: Not at all. But they *do* pay a cost for discriminating, even as ordinary mortals, since there *is* a high degree of competition in the academic contest for prestige, promotions, and grants. And thus we have excellent reason to presume that the observed social group ratios, however odd they may strike those unacquainted with the inticacies of the situation, are not to any significant degree the result of discrimination in university hiring.

It is likewise hard to imagine that the Chrysler Corporation—which in 1975 lost hundreds of millions of dollars and whose existence has recurrently been precarious—could afford the luxury of discrimination. Or small Polaroid in competition with giant Kodak. Or any computer company fighting IBM. And there can't be very many people who, in trying to realize money from selling one home in order to purchase a better one elsewhere, could afford to forgo for reasons of prejudice the highest price offered (Sowell, *Race and Economics,* pp. 169-71).

This analysis incidentally points up a fundamental fallacy of design in those "tests" of the prevalence of discrimination in housing that use matched pairs of black and white applicants. Since these tests are set up in such a way that landlords suffer virtually *no* cost for indulging their preferences for discrimination, it can not really come as a great surprise that they do. Had the comparison been set up with the two applicants differing *solely* in whether they came from the seller's home town, or shared the same passion for antique cars or French cooking, or had attended the same alma mater, the identical result would also have been obtained: people *do* exercise their eccentric personal preferences if there is zero cost to so doing. Naturally, this kind of "test" maximizes the amount of discriminatory activity detected. It also gives not the slightest indication of what we would really like to know, namely, what it would take to induce landlords to forgo their racial preferences. For some—not necessarily those most moral, but those most in need of extra income—this would surely be modest. In contrast, in a true market situation where applicants differ on a *variety* of factors that have to be weighed against each other (family size, job, education, "He's black *but* he's with a U.N. mission," etc.) and are making competitive financial offers, the *actual* occurrence of discrimination by race would necessarily be much less than in the contrived test situation.

It is impossible to project by deduction from first principles what the "ideal" social distribution of groups would be in a state of perfect justice.

None of this, of course, argues that there won't be anecdotal instances of arrant discrimination in competitive markets. There surely will be isolated instances, since the market does allow one to "purchase" this indulgence at the going "price." But one *does* thereby pay a *price;* one does not win an economic benefit (as is often and falsely alleged). And the market will minimize the social consequences—as revealed, say, in group average incomes—of even these occurrences, because the persons who there are "non-preferred" automatically become preferred by every other decision maker who is merely impartial. It is this self-correcting feature of the market, coupled with the fact that there are *many* competing assessors of "merit" constantly updating their evaluations, that supports the contention (no doubt surprising to some) that ensuring the conditions for the market to operate freely is the best possible way to discover the "proper" distribution of groups and simultaneously to bring it about.

To defeat discrimination, then, one does not want to try formulating an explicit, analytical solution (for example, defining "availability pools") to the problem of the "just" representation of groups and then try adjusting the groups until the indicated statistical parity is achieved. Instead, one should merely see to it that the market, whose natural tendency is toward treating individuals fairly, can function efficiently. The necessary conditions are: no force, no fraud, no state privileges, freely floating prices that permit the frequent evaluation of the worth of economic factors including labor, no imposed limits on potential return, no artificial protection against losses, open competitive entry, and the like. Having satisfactorily arranged these conditions, one then has good reason to be confident of having reduced prejudicial actions against individuals to the lowest possible level. And, having achieved this for individual persons, one will in fact have maximized fairness for the groups they may compose as well. In this splendid state of affairs, then, "how the figures add up on the basis of whatever measures of group we use may be interesting, but should be no concern of public policy" (Glazer, p. 220). ◻

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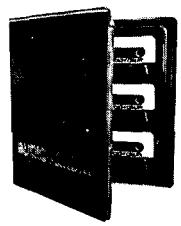

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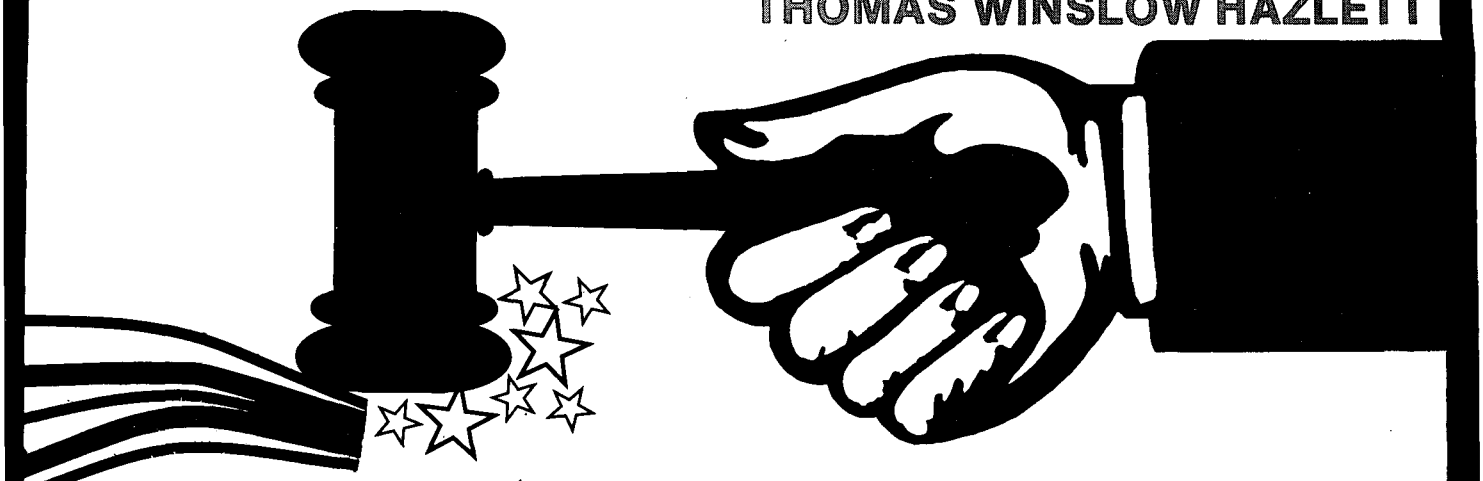

Mencken vs. America

H. L. Mencken, poet, author, essayist, journalist, philosopher, social critic, editor, philologist, political scientist, patron of the arts, and humorist, came as near as any other American scholar of the 20th century to be worthy of the title "Renaissance Man." His profundity, primarily as a comically witty social critic, reached the often startled minds of millions of Americans in his heydey between World War I and the New Deal. Communists denounced him as a reactionary, politicians assailed him as an anarchist, clergymen branded him a demon. Prior to his death in 1956, there was scarcely a stone in American society that Mencken failed to pick up and heave.

In fact, Mencken's ease in jiggling loose the sham in any scene, the farce in any crusade, and the quack in any crowd was maybe, and ironically, far too effective. Because today the magic that was Mencken has been reduced to sporadic bursts of brilliance in textbooks on the twenties. It is a nasty break for the contemporary student of American history.

Tom Hazlett attended UCLA and California State University at Northridge, and holds a bachelor's degree in economics. He is a partner in a public relations firm and a free-lance writer.

Mencken has been excluded from recent history not due to his failure in accurately depicting American society—but because of his success. Mencken resolutely dethroned the quacks of everyday living, and not just those under indictment by the FTC. He assailed the myth-makers of the State, the Church and the University. His gifted insight did not come to a cautious detente at the doors of the respected and powerful: it mushroomed into nuclear assault.

So it was that Mencken created a bona fide enigma for the hordes of intellectuals who appreciated the obvious quality of the man but had horrid fears of recognizing the precise philosophical base from which it sprang. It was one matter to mimic Warren Gamaliel Harding, but what pleasant fellow could bring himself to denigrate the Y.M.C.A.? Mencken had a naughty habit of not only stepping on the toes of sacred cows, but of slaughtering them, butchering the meat into T-bones, having a cook-out in the middle of the pasture, and then throwing the bones back at the herd. Perhaps it's not so surprising that they finally stampeded.

But now, if you will, H. L. Mencken. . . .

*

Born in 1880 to a middle-class German-American cigar-making family, Henry Louis Mencken quickly discovered the "charms" of his native Baltimore—they were to enchant him for the rest of his days. Reading *Huckleberry Finn* at age nine was an event later described by Mencken as "the most stupendous of my whole life." Thereafter, he made a habit of digesting Twain's novel at least once a year until well into his forties. For the most part, the young H. L. cultivated a marvelous love of literature and a richly abundant vocabulary. From his father he had inherited a tremendous skepticism of religion, and he soon adopted a revulsion for that red, white and blue bastion of American youth—the Y.M.C.A. Years later he reflected:

> All that the Y.M.C.A. horse and rings really accomplished was to fill me with an ineradicable distaste not only for Christian endeavor in all its forms, but also for every variety of calisthenics, so that I still begrudge the trifling exertion needed to climb in and out of the bath-tub, and hate all sports as rabidly as a person who likes sports hates common sense.

Mencken's rise as a journalist was so precipitous as to induce frightening

pangs of panic in any aspiring writer prone to comparison. As a newspaperman, Henry distinguished himself by becoming the youngest managing editor of a major American daily at 23. Soon after this job with the *Herald,* Mencken assumed similar responsibilities with the *Baltimore Sun* in 1908, commencing an association that was to remain intact until his mortal departure.

By 1914 Mencken had moved into the forefront of the American intelligentsia as co-editor of the *Smart Set,* a popular magazine amongst the young intellectuals. Here Mencken inaugurated his pet hobby of promoting and publishing any young writer showing some audacity and promise. The *Smart Set* proved a perfect vehicle for Mencken to launch his assault on the putrid sterility of the American intellectual establishment.

Mencken's most precise statement of the failings of Kultur in the New World are emblazoned in his striking essay "The National Letters." Here Mencken outlines each of the inhibiting factors condemning a spirited emancipation of the native literature. His target was the depressing void of courage in tackling the perplexing problems at the very roots of existence. Mencken stopped far short of expecting a potion for every ill, indeed his adamant reflexes against societal "uplifters" are well put:

> Few doctrines seem to me to be worth fighting for. I can't understand the martyr. Far from going to the stake for a Great Truth, I wouldn't even miss a meal for it. My notion is that all the larger human problems are insoluble and that life is quite meaningless—a spectacle without purpose or moral. I detest all efforts to read a moral into it. I do not write because I want to make converts. In point of fact, I seldom make one—and then it is embarrassing. I write because the business amuses me. It is the best of sports.

If Mencken insisted that the more fantastic questions of metaphysics were beyond full human cognizance he certainly did not avoid speculating about them and avidly enjoyed consideration of the saltier aspects of homo-sapienism: death, sex, profanity, morality, and government to merely begin the list. Mencken's diagnosis of the contemporary predicament was elaborate but direct:

> When one turns to any other national literature—to Russian literature, say, or French, or German, or Scandinavian—one is conscious immediately of a definite attitude toward the primary mysteries of existence, the unsolved and ever-fascinating problems at the bottom of human life. . . . These attitudes raise a literature above mere poetizing and tale-telling; they give a dignity and importance. . . . But it is precisely here that the literature of America, and especially the later literature, is most colorless and inconsequential. As if paralyzed by the national fear of ideas, the democratic distrust of whatever stikes beneath the prevailing platitudes, it evades all resolute and honest dealing with . . . hearty literature's elementary materials. . . . What is there is a highly self-conscious and insipid correctness, a bloodless respectability, a submergence of matter in manner—in brief, what is there is the feeble, uninspiring quality of German painting and English music.

"The kind of man who wants the government to adopt and enforce his ideas is always the kind of man whose ideas are idiotic."—H.L.M.

Mencken had little patience for prissy establishmentarians and fought continually for American authors to use their talents creatively to advance new thoughts on tremendous, as opposed to trivial, ideas. Wherever he found a trace of the true spirit he cherished, he was quick to expose and deify it. H. L., never noted for his overwhelming discretion, found his comic genius firing gallantly in just such a discovery:

> The poet hugging his Sonia in a Washington square beanery, and so giving notice to all his world that he is a devil of a fellow, is at least a better man than the emasculated stripling in a Y.M.C.A. gospel-mill, pumped dry of all his natural appetites and then vacuum filled with double-entry bookkeeping, business economics and autoeroticism. In so foul a nest of imprisoned and fermenting sex as the United States, plain fornication becomes a mark of relative decency.

"The National Letters" was published in 1920 and had considerable impact. But far more important than any singular contribution to the literature of the land was the mood of the times which was pervaded by a revulsion against oppressive, war-mongering Wilsonian democracy. The country had fought the war to "make the world safe for democracy," and had succeeded in making democracy unsafe at home. The purges of Germans, Socialists, "unpatriotic" authors, and subversives reached a condition rightly judged as insane frenzy during the years 1917 to 1919. Consequently, the 1920's saw a large minority of the nation openly critical of the repressive mores that had held imaginative writers in check. Theodore Dreiser, Sinclair Lewis, F. Scott Fitzgerald, Ernest Hemingway, John Dos Passos and others were not only writing vigorously but finally receiving justifiable praise from the *New York Times.*

As the society unclenched its fists and opened its arms to artists of such caliber in the twenties, Mencken felt a passion to move on. Beyond the implications of America's cultural straitjacket were the broader imperatives of social criticism. So in January, 1924, the *American Mercury* was hatched to give Mencken's illuminating wit a bright, new direction. He projected:

> There is no middle ground of consolation for men who believe

neither in the Socialist fol-de-rol nor in the principal enemies of the Socialist fol-de-rol—and yet it must be obvious that such men constitute the most intelligent and valuable body of citizens that the nation can boast. . . . It will be the design of the *American Mercury* to bring, if not alleviation of their lot, then at least some solace to these outcasts of democracy.

By the time the *Mercury* adventure launched a new course for Mencken's attack on frauds and mountebanks he had compiled a respectable stack of bound writings on a plethora of subjects. His first attempt was printed in 1903 and was Mencken's only stab at poetry—*Ventures Into Verse.* Two years later he reached into the dramatic arena with one of the first books dealing with Shaw, entitled *George Bernard Shaw: His Plays.* Mencken's real national stature was born in 1908, however, when *The Philosophy of Friedrich Nietzsche* appeared. The book became a popular as well as critical success and is still cited as an authoritative interpretation of Nietzsche.

Mencken's views were influenced greatly by both Shaw and Nietzsche. Shaw was inspiring as a renegade of puritan morality who exercised a gifted flair for demolishing the prim and proper. Most adroit was, in Mencken's words, Shaw's ability to depict commonplace ideas "so scandalously the pious get all the thrills out of the business that would accompany a view of the rector in liquor in the pulpit." Nietzsche's radical viewpoints gave the philosopher an alternative to collectivist socialism on the one hand, and mystical Christianity on the other. Mencken swallowed a good deal of the ideology, being particularly vulnerable to Nietzsche's vehement repudiations of religion, democracy and the masses, as well as his explanation of the nature and role of a true aristocracy. It is apparent in reading Mencken's work of 1908 that a great portion of his thinking was firmly embedded in the ideological real estate of Shaw and Nietzsche.

Mencken's primary values were rigidly grounded in a rejection of all irrational dogmas, and a prima facie acceptance of individualism. For Mencken, the latter ideal was founded upon man's capacity for scientific thought—knowledge based on verifiable facts. Mencken never pretended to assume that the majority of mankind possessed this knowledge or desired to think and be free. He once wrote Upton Sinclair, "Isn't it a fact that the majority of people, even those who are most obviously oppressed, are quite devoid of any comprehension of liberty—that they are contented in their wallow?" But for gentlemen of scientific inquiry, an advance of thought and well-being was possible and justified a system of maximum individual freedom. Indeed, Mencken was convinced that the whole of human progress had been achieved by the efficacious minority of men who possessed that rare and precious mixture of intelligence, courage and honor. The progress of civilization was not due to the masses, but accomplished in spite of them, as Mencken contended:

> Progress is a battle that enlists relatively few men, and on the whole they are unpopular and even disreputable. The names of Darwin and Huxley are certainly not held in honor by the generality of Americans; in Tennessee they are actually used to scare babies.

While Mencken mercilessly denounced reformers of the political realm, he saw much of the intelligentsia of the Western world in a crucial battle in which he was a vociferous partisan. The thrust of Western civilization had, in his eyes, been a struggle between reason and Christianity. Reason being the sole tool of the lonely geniuses of the ages, the Church had had little trouble in squeezing and squelching the isolated heretics who defied the true word. Christian faith, Mencken insisted, had nothing to show for its foundation by way of reason; it admitted as much in its cry for blind allegiance (faith), and relied singularly upon mankind submitting to "the inimical and impenetrable powers of the air."

With Charles Darwin's *Origin of Species,* published in 1859, Mencken proclaimed that the back of the faithful gospelers had been broken. Intellectuals in Europe, most notably Spencer, Huxley, Shaw and Nietzsche, were dethroning the reign of the Church, if not amongst the common herd, at least amongst the lead thoroughbreds. Mencken concluded that the Western intellectuals had finally proven victorious in their brutal struggle to conquer the witch doctors of the Church. He theorized: "Today a literal faith in the gospel narrative is confined to ecclesiastical reactionaries, pious old ladies, and men about to be hanged."

William Jennings Bryan, on this issue and many others, represented the all-encompassing target for the dastardly Mencken. Mencken commented: Bryan "liked people who sweated freely and were not debauched by the refinements of the toilet." At base, Bryan was "a charlatan, a mountebank, a zany without sense or dignity. . . . He seemed deluded by a childish theology, full of an almost pathological hatred of all human dignity, all beauty, all fine and noble things." The misguided direction of such a quack was prompted by a disgraceful envy, a quality that Mencken asserted was the key ingredient and principal curse of democracy. Precisely stated, this despicable jealousy was:

> The ambition of a common man to get his hand upon the collar of his superiors, or, failing that, to get his thumb into their eyes. He (Bryan) was born with a roaring voice, and it had the trick of inflaming half-wits.

The irrationality of it all was seeping through, yet the dam burst in

"Government is a broker in pillage and every election is sort of an advance auction sale of stolen goods."—H.L.M.

finality at the famous Scopes trial in Dayton, Tennessee. Mencken, whose coverage of the trial was nationally syndicated, was fascinated by the true-to-life demonstration of the absurdity of the opponent. Mencken triumphantly reported on Bryan:

> He descended to demagogy so dreadful that his very associates blushed. His one yearning was to keep his yokels heated up— to lead his forlorn mob of imbeciles against the foe. . . . Even Darrow, who knew better, occasionally yielded to the prevailing spirit. One day he lured poor Bryan into the folly I have mentioned: his astounding argument against the notion that man is a mammal. . . . There stood the man who had been thrice a candidate for the Presidency of the Republic—there he stood in the glare of the world uttering stuff that a boy of eight would laugh at. The artful Darrow led him on: he repeated it, ranted for it, bellowed it in his cracked voice. So he was prepared for the final slaughter.

*

Perhaps the creme de la creme of H. L. Mencken was poured into his depiction of the average American. In another of his brilliant essays, "On Being an American," Mencken really opened up on the low state of the common citizen:

> Here the general average of intelligence, of knowledge, of competence, of integrity, of self-respect, of honor is so low that any man who knows his trade, does not fear ghosts, has read 50 good books, and practices the common decencies stands out as brilliantly as a wart on a bald head, and is thrown willy-nilly into a meager and exclusive aristocracy.

As proof that even the vast majority of the nation's heroes were bogus, Mencken cited the esteemed literary talent of Woodrow Wilson, the respected theological passion of Bryan, the alleged nobility of J. Pierpont Morgan, and the simple fact that the United States Congress was taken seriously. Objecting loudly to the paralyzing parameters of accepted social behavior and humiliating regimentation of social custom, Mencken perceived that the American people were largely paranoid—afraid to step out of line, afraid of immigrants, afraid of mysterious political demons. As he summed up:

> The normal American of the "pure-blooded" majority goes to rest every night with an uneasy feeling that there is a burglar under the bed and he gets up every morning with a sickening fear that his underwear has been stolen.

Most depressing of all was the constant war for survival that had to be waged by the actual thinkers of the age.

"Theology: An effort to explain the unknowable by putting it into terms of the not worth knowing."—H.L.M.

Mencken decried the ever-creeping constraints of American society:

> The whole drift of our law is toward the absolute prohibition of all ideas that diverge in the slightest from the accepted platitudes, and behind that drift of law there is a far more potent force of growing custom, and under that custom there is a national philosophy which erects conformity into the noblest of virtues and the free functioning of personality into a capital crime against society.

Being such a social criminal, H. L. Mencken was a heathen and a maverick. Always quick to search out the back-door route hidden to the crowd, it was his miraculous sense of humor—including mastery of the reductio ad absurdum—that became his greatest weapon. For instance, in launching a mock campaign for President in the twenties, Mencken's platform included the legalization of the lynching of all public officials, the promise to keep the population "lightly stewed" at all times by spraying the air with alcohol, and the death penalty for all defeated candidates for the Presidency on the grounds that if they are permitted to live they invariably become intolerable nuisances. Ah, yes indeed!

As Douglas Stenerson has concluded in his Mencken biography, if there was a single cause or idea that could sum up Mencken, it would have to be his undying, unquestionable libertarianism. Mencken doggedly adhered to the motto of Thoreau, "mind your own business," and strove for a minimum of interference from the state. It was Mencken's observation that "the main gain of modern man has been the weakening of governments." Yet he could see, especially in his later years, the strong ascension to greater power by expanding government bureaucracies. Mencken attributed the growing statism to a mistake of 20th century thinking:

> What keeps such notions in full credit, and safeguards them against destructive analysis, is chiefly the survival into our enlightened age of a concept hatched in the black days of absolutism—the concept, to wit, that government is something that is superior to and quite distinct from all other human institutions—that it is, in its essence, not a mere organization of ordinary men, like the Ku Klux Klan, the United States Steel Corporation or Columbia University, but a transcendental organism composed of aloof and impersonal powers, devoid wholly of self-interest and not to be measured by merely human standards. . . . This concept, I need not argue, is full of error.

Mencken chided the notion that public servants were somehow better equipped than private citizens to provide the leadership for a society. "There is actually," he said, "no more public spirit among them than so

many burglars or street walkers." In the end, he surmised that "government is actually the worst failure of civilized man."

It would be a paramount disgrace to let Mencken's discrediting of government obscure the principles he enthusiastically lauded. Highest on the list was the imperative of free speech. In his journals, especially the *Mercury,* Mencken adopted a liberal policy of exposing the writings of philosophical opponents. He exhalted the personal fortitude entailed in taking a stand based upon honest, thought-out convictions, believing "there is something even more valuable to civilization than wisdom, and that is character." Mencken's position on intellectual courage was poignantly stated:

> A Socialist who goes to jail for his opinions seems to me a finer man than the Judge who sends him there, though I disagree with all the ideas of the Socialist and agree with some of those of the Judge.

H. L. got a chance to show his stuff during World War I by stridently defending a number of alleged subversives, most notably Eugene Debs, against rampant government repression. Mencken was one of a very few men who stood up to the war-crazed insanity and organized a powerful defense for Theodore Dreiser, whose book, *The Genius,* had been banned by the New York Society for the Suppression of Vice in 1916. Exactly one decade later Mencken himself was arrested and risked a jail sentence over a freedom of the press dispute with a puritanical watch-dog committee in Boston upset over a particular article in the *American Mercury.*

Mencken's pets and peeves were clearly elucidated: "I am in favor of free competition in all human enterprises, and to the utmost limit. I admire successful scoundrels, and shrink from Socialists as I shrink from Methodists." Consequently, he favored a free economic system as the best possible arrangement, not devoid of swindles and buffooneries, but far better than any system of institutionalized government swindles and buffooneries. The greatest threat to the individual was clear—a powerful state was to be avoided at all cost. Yet Mencken's realism is found again in his sobering analysis of the governmental mystique: "The government can not only evoke fear in its victims; it can also evoke a sort of superstitious reverence. It is thus both an army and a church, and with sharp weapons in both hands it is virtually irresistible."

*

The Mencken zenith was the 1920's. The *American Mercury* was the craze on college campuses, literally hundreds of editorials denounced Mencken's blasphemy each year (Alfred Knopf published an entire book, *Menckeniana,* of anti-Mencken editorials), and the *New York Times* appraised him as the most powerful private citizen in the United States. The bloody war was best narrated by the villain himself:

> I have been denounced on the floor of Congress by statesmen from the Bible Belt and in blistering terms. The wowsers dislike me and have tried to jail me. I have been barred from the mails. During the late War for Human Freedom I was on the suspect list . . . along with Sacco and Vanzetti, and one of my own partners was put to watching me. The evangelical Protestant papers charge me with favoring the Pope's scheme to put a Catholic in the White House, and the Catholic papers damn me for atheism and antinomianism. The Red-hunters put me among the Radical, and the Radicals belabor me as an intransigent Tory. In Greenwich Village I am thwacked as a medieval, and among college professors I am regarded as an anarchist. During the 12 months of 1926 more than 500 separate editorials upon my heresies were printed in the United States, and at least 400 of them were hostile.

"Puritanism: The haunting fear that someone, somewhere, may be happy."—H.L.M.

But the age changed swiftly and drastically. It is realistically said that Mencken's notoriety fell with the stock market. Mencken's physician had once commented that he had never seen anyone with such complete objectivity about himself, and this trait added to his perceptiveness in forecasting his niche in the society as well. In 1933, aware of the trend of the New Deal and the direction of American politics, Mencken left the *Mercury* to devote his time to renewed writings including a three-volume autobiography and two revisions of his 1919 masterpiece, *The American Language.* This latter work is still regarded as a veritable landmark in American philology.

The reaction of Mencken to the New Deal, and the reaction to his reaction, are important to understand. Initially Mencken, who usually voted for Democrats, respected Franklin Roosevelt (he dubbed him Roosevelt II) as a "gentleman and a scholar." By the time Roosevelt's first few months were completed, however, the experienced Mencken could see the demagogic quest for power all over again. What alarmed him most was the instant scramble for jobs and power by the great bulk of the intelligentsia and the enormous hand-outs doled to some at the expense of others. In Mencken's eyes, FDR became a "milch cow with 125 million teats." The United States was having another of its moral crusades, once again at the sacrifice of freedom and individuality. Mencken frantically wrote to publisher B. W. Hubsch:

> I begin to believe seriously that the Second Coming may be at hand. Roosevelt's parodies of the Sermon on the Mount become more and more realistic. The heavens may open at any moment. Keep your suitcase packed.

As Mencken saw the world, those intellectuals who had been unable to

cope with the disillusion of the twenties were ripe for a crusade in the thirties. They had convinced themselves that the problems of existence could simply be solved by a law here, a bureaucracy there. "They believed . . . there was a remedy at hand for every conceivable public ill, just as the herbalists of the Middle Ages believed that there was a cure in the fields or woods for every disease of man. They were thus in a mood to swallow any dose that the quacks ventured to prescribe, and were half convinced before the New Dealers began to function."

The transvaluation of 19th century to 20th century liberalism had become complete, and the recent edition liberals were caught in a whirlwind, suddenly entrusted with immense power to re-chart the American way. The New Deal was a demagogue's delight and gave us, "only two classes of men in the United States: those who work for their livings, and those who vote for them." The "advances" of Roosevelt II as described by Mencken:

> The effect of every sort of New Deal is to increase and prosper the criminal class. . . . The criminal believes, like the demagogue's client, that the world owes him a living and that it is not immoral for a have-not to seize the property of a have. Neither the criminal nor the demagogue makes any distinction between haves who acquired their property honestly and those who obtained it by chance or fraud. It is sufficient that they have it and can be made to disgorge of it.

Mencken held that ever since the days of Jefferson the people had been throwing away more and more of their personal rights to the government and the government, in turn, had been expanding in scope and repression through taxes and diminished liberties. "No government," he said, "is ever in favor of the freedom of the individual. It invariably seeks to limit that freedom, if not by overt denial, then by seeking constantly to widen its own functions."

It is of little wonder why the doormen of the New Deal unleashed fire and brimstone upon Mr. Mencken. But superior in interest to the political squabbles are the historical ramifications of Mencken's role in the thirties. It has generally been accepted by the prevailing text book authors that, as the *New York Times* said, "the Depression showed that if the rulers didn't have the answers, neither did Mencken." This hypothesis has come close to dogma in sealing his historical fate.

As concerns the values of H. L. Mencken, however, there seems little evidence in retrospect that the crash of the stock market produced a negative verdict upon them at all. Mencken had articulately heralded a free, open and competitive economic system; the crisis of 1929 was the result of just the opposite. Without any esoteric econometric analysis, the actual causes of the collapse, relatively unknown to

"Democracy: The theory that the common people know what they want, and deserve to get it good and hard."—H.L.M.

American economists in the thirties, stemmed from the inflationary and the deflationary policies of central banking establishments—government-controlled—among the Western powers following World War I. Such a conclusion, which has since been arrived at by a majority of monetary economists, does far more to support Mencken than to defeat him. His only "defeat" came at the hands of the then current economic mythology.

It is curious that the Grade A litmus test for Mencken's analysis is continuously bypassed—have the New Deal formulas proven any healthier in reality than Mencken said they would? More workers were unemployed in 1938 than when FDR ran his "Happy Days Are Here Again" campaign in 1932, and the real end to severe unemployment came only with the war economy. Furthermore, a vicious post-war inflation soon proved as pernicious as the pre-war perplexities. Current-day New Deal Keynesianism is likewise failing to provide economic prosperity in an embarrassing fashion. In fact, the growing state control and politicization of the society and economy are root causes of contemporary American problems approaching the crisis stage. Finally, Mencken was an early historical revisionist objecting to the suspicious and "barbaric" ways our nation entered both world wars and ran its incredible governmental operations in general. He openly predicted that his absurdly radical ideas on these subjects would someday garner agreement in the most learned of historical circles. Either Mencken was clairvoyant or brilliant.

It may seem more than incredible to the Ivy League scholars of today that a totally literate man could have actually opposed the New Deal—and on moral grounds no less. It has been handy to relegate such an opponent to the role of an anachronism rather than risk the strain of contemplating his challenges. Undoubtedly miffed by his laissez-faire economics and liberatarian politics, the powers-that-be tag Mencken—the sensational iconoclast—as simply a witty right-winger. Contemporary academia, in many respects, is mysteriously striving to emulate the scholarly sterility of ages past which H. L. Mencken, for one, fought bitterly against.

The paranoia of the unenlightened notwithstanding, H. L. Mencken has left a booming gold mine for the inquisitive intellectual prospector. For the true spirits among us, his treasures might be better thought of as a vast undiscovered and unclaimed continent—a sort of literary Paradise Lost.

This day's student of ideas who rejects the puerile shams that pose as our national godfathers could treat himself to no better remedy than the pathologies and prescriptions of H. L. Mencken. And you could bet a year's subscription to the *W.C.T.U. News* that it would make old Henry Louis let loose with a smile in his fiery dungeon to know that he had at long last secured a solid, substantial place in our history, equal in stature to that of every other scoundrel, cad, huckster and mountebank who ever graced the shores of the American Republic. ◻

Policemen of the Press

E. C. PASOUR, JR.

Senators Humphrey and Javits, with much fanfare, have introduced and promoted The Balanced Growth and Economic Planning Act of 1975. Its purpose, declare the architects of the bill, is to establish an agency to "guide the economy in a direction consistent with our national values and goals." For the movers and doers of the economy often don't know just what those national values and goals are. How could they? As stressed by Professors Galbraith and Leontief, as well as other supporters of centralized planning, enormous information problems confront the managers of individual firms. So finally those kind Harvard souls, along with their aficionados in Washington, have risen to help the beleaguered entrepreneurs: national economic planning is simply a means of providing information and thereby assisting them in making forecasts about future needs for productive inputs and consumer goods. And it is nothing more than that, its supporters endlessly reassure us—as though only an unthinking soul would have suspected otherwise.

Yet the Humphrey-Javits act, while stressing the value of information, appears to ignore information markets themselves. Information markets, however, are basically no different from goods or product markets and are rife with the same woeful inadequacies. Any dedicated planning advocate can ferret out the types of market failure typically cited for product markets and construct a parallel rationale for intervention in information markets. How could our farsighted legislators have neglected an area of such importance (and with such a vast potential for meddling)? I propose herewith, with all the arguments necessary to convince the wayward, a planning plan for this market.

E. C. Pasour, Jr., whose areas of interest are price theory and public finance, teaches in the economics department at North Carolina State University. He has published in academic journals, as well as The Alternative *and* The Freeman.

THE PROPOSAL: WHAT AND WHY

Economic planning requires information; hence its results hinge directly on the quality of the information available. There has been a veritable explosion of knowledge in the last 30 years. Yet our information system, including all forms of media, has developed in a haphazard and unplanned manner. As a result we are now faced with an information crisis.

In view of the urgency of this crisis, I propose a companion bill to the Humphrey-Javits (HJ) Economic Planning Act. The proposed legislation supporting the HJ act will be known as The Balanced Knowledge and Information Planning Act of 1976. The purpose of this act is to insure that information necessary to successfully implement the HJ Economic Planning Act will be available when needed. It will relate to the comprehensive planning of information in all areas except education. (Education is to be exempt from the provisions of the bill to avoid wasteful overlap and duplication of HEW programs, which already manage

information there.)

Why is this legislation needed? A bit of reflection reveals that the same problems are present in the information market (the market for ideas) as those *everyone* knows to be endemic in markets for other goods and services. Decision making comes off as unplanned, shortsighted, and uncoordinated when one considers the resources available for the dissemination of information through various media and then surveys its actual dissemination. The market, with its agents operating on the profit motive, is relied upon to determine how information is disseminated. In a modern industrial economy, however, a collection of decisions made by individuals pursuing their own selfish interest does not guarantee that social needs will be met. Market "failure" is observed in the information market just as in markets for other goods and services. Problems arising from a lack of planning in this sector are manifested in a variety of ways.

First, there is a vast waste of resources in disseminating information to the citizenry. Everyone has been made aware of the wastes associated with the production and marketing of toothpaste, detergents, aspirins, "low price spreads," and other products that are differentiated mainly through advertising. Media entrepreneurs, in a similar fashion, constantly strive by advertising to differentiate their products in the eyes of the consumer. We are bombarded daily with repetitious news on radio and television, in newspapers and periodicals. It seems clear that much of the advertising of these artificially differentiated methods of disseminating information serves to *create* the very wants they allegedly serve. Borrowing Professor Galbraith's terminology, our desire for particular newspapers, TV programs, etc., are not innate wants but are created by the process by which they are satisfied. (The same holds for our preferences for public officials and legislation—local, state, and national.)

Second, pollution problems are pervasive in the information area just as in other markets. The polluting industrial firm defiles the environment, engendering costs to society that exceed the direct costs (costs borne by the firm). Similarly, erroneous and misleading information has a cost to society far greater than the direct costs of disseminating the information. One piece by a mossback columnist can lead thousands of people to vote against public officials who promote the public interest by supporting progressive legislation, including increases in minimum wages, consumer protection, land-use planning, credit controls—even comprehensive economic planning.

Third, consumer ignorance is a notorious problem requiring mandatory safety devices for autos, truth-in-lending laws, unit packaging, and other legislation to protect the consumer. Casual empiricism reveals that the laissez-faire system of disseminating information also has problems. Results obtained by Gallup, Harris, and other reliable pollsters indicate that most citizens have an abysmally small amount of information (or concern) about pressing economic and social issues, domestic or foreign. Most citizens must grope in the dark in choosing between various political parties, candidates, and programs. It is clear that no reliable mechanism in the modern economy relates information needs to available resources.

Fourth, fraud is pervasive in the information and knowledge area. During the past decade, politicians have promised us more guns and more butter in a full-employment economy. They have also promised that, if elected, they would represent all the people rather than special interests. Special interest legislation continues to be enacted, however, as evidenced by the August 1975 congressional pay raise. Senator Kennedy indicated a recognition of this problem of mendacity on the part of public officials with the recent bill to enable citizens to sue public officials for making false statements. Yet public officials have no monopoly on fraudulent statements in the information sector. Newspaper editorials, for example, decry the level of unemployment and simultaneously plead for increases in the minimum wage and in unemployment compensation. Regulatory agencies such as the CAB and ICC, though ostensibly designed to protect the public, without the public's knowledge, frequently serve the companies being regulated.

The protection from fraud in product advertising is distinctly superior to that in information markets. The FTC and FDA are constantly alert to potentially harmful goods and services and to misleading advertisements of commercial products. Yet in the information market, the consumer has no protection from nefarious ideas or from unscrupulous vendors of innocuous bromides. The hapless citizen is carefully protected from false advertising about Wonder Bread, Listerine, and Geritol. At the same time, he has had no one to warn him that his favorite newspaper may *not* contain all the news that's fit to print.

The future welfare of society hinges on information and knowledge. The job of keeping our information system in good order, as Professor Leontief indicates in connection with economic planning, "requires lifting the hood, observing and, if necessary adjusting the operation of all moving parts of the engine, and occasionally replacing those that turn out to be defective." The proposed information planning bill would set up an Office of Balanced Knowledge and Information Planning in the Executive Office of the President. The bill would require the president to submit a Balanced Information and Knowledge Plan to Congress biannually.

Yet this is not enough. Information problems exist at all levels, and a *comprehensive* information and knowledge policy must be developed. Toward this end, the bill would also encourage and support information-planning agencies at the regional, state, and local levels.

How would information planning be achieved? The same range of instruments being proposed for economic planning can be used to achieve the planning goals for information, of course. The following examples are illustrative of a wide range of specific measures possible in information planning.

Representative Reuss has already broken new ground on the road to information planning with his proposal to require that banks allocate credit in a manner consistent with the public interest. This proposal recognizes that certain capital expenditures, though more risky, are often more productive. Most people would agree, for example, that credit extended to construct low-cost housing will make a larger contribution to social welfare than credit

extended for luxury apartments. Yet without credit controls, banks may well charge a higher interest rate to the builder of low-cost housing. Only the most callous among us will object to giving the poor a break.

Similarly, what public-spirited citizen could complain if credit preference were extended to whichever media strive to elicit public support for activities deemed to be in the public interest, as determined through the legislative process? *Challenge, The Magazine of Economic Affairs,* with its strong advocacy of comprehensive economic planning, would be an obvious candidate for public support (if the Balanced Knowledge and Information Planning Act were enacted).

Many worthwhile publications dedicated to the public interest have limited circulation and cannot compete with mass circulation publications that pander to current public tastes, which can only be described as vulgar and meretricious. Since advertising in such publications often skillfully depraves and distorts popular desires, tax incentives and subsidies might be used along with credit controls to strengthen those journals (or other media) that are dedicated to the elevation of public tastes, to promoting the public interest, and, indeed, to a rational planning process.

As the current "invisible" energy crisis (as characterized by Representative Ullman) is increasingly recognized as a harbinger of the age of scarcity, more attention must also be given to problems of waste in the dissemination of information. The wasteful duplication of news and other television programming can be eliminated through the allocation of broadcast licenses and more judicious control of programming by the FCC. The problem of waste and duplication in publication of books, papers, magazines, etc., will likely require a new regulatory agency with powers over entry and content of written material analogous to powers of the FCC in the broadcast field. An alternative would be to expand the authority of the FCC to include the fourth estate.

A concerted effort (Positive Action Program) must be used to achieve a better balance of information and knowledge in all media. The carrot as well as the stick can be useful in creating an information system that is consistent with the public interest. As British Professor H. D. Dickenson, a renowned proponent of centralized planning, indicated in 1939: "The powerful engine of propaganda and advertisement, employed by public organs of education and enlightenment instead of by the hucksters and panderers of private profit-making industry, could divert demand into socially desirable directions while preserving the subjective impression of free choice."

The potential of economic planning cannot be fully developed while neglecting a vital ingredient of any plan—information. Markets involving information and knowledge are no less capricious than those for other goods. Thus, it is no less vital to guide the information and knowledge sectors in a direction consistent with our national values and goals. Planning proponents must not neglect the information aspect of comprehensive economic planning. National planning must not be allowed to founder in the sea of knowledge. ◻

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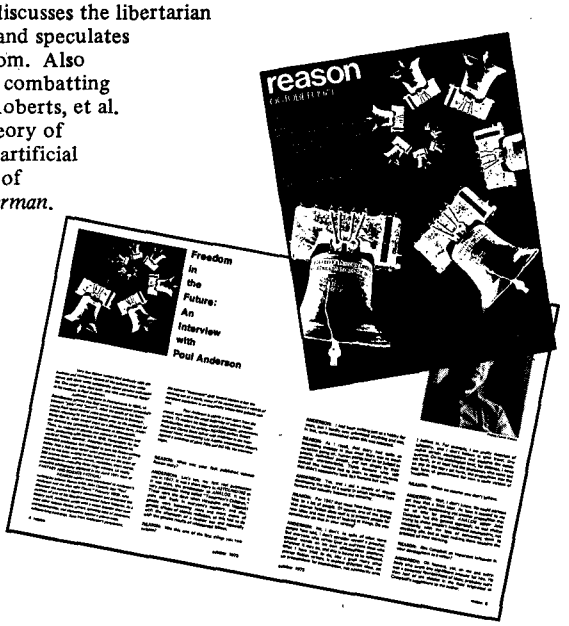

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THE CRACK IN THE COSMIC EGG

GEORGE MORRONE

Libertarians are often puzzled by a recurring phenomenon. In the course of a discussion it is obvious that the correct arguments are on your side. Your opponent can offer no alternative to your assertions, cannot point out a flaw in your logic, cannot challenge your basic assumptions. Yet he remains unconvinced. Frustrated, you conclude that further discussion is useless. As you walk away, he is convinced that *you* have lost the exchange simply because your dismay is obvious.

Consider, for example, the following readily recognizable exchange. A libertarian says that taxation is morally wrong, and the statist he is talking to incredulously asks why.

> Libertarian: "Taxes are collected involuntarily, by coercion."
> Statist: "But taxes are paid voluntarily."
> Libertarian: "Or else!"
> Statist: "But we live in a democracy, where the people freely chose their representatives. Since the people's freely elected representatives pass the tax laws, taxation must be voluntary on their part."
> Libertarian: "But how can it be right for a group of people to do what would be criminal for individuals?"
> Statist: "What's right or wrong is what the law *says* is right or wrong. You can't call taxation criminal, or involuntary, because it's done by the state, and the will of the state is the very definition of legality."

And so it goes. Discussion beyond this point is futile. Once the argument has reached the point of differences over such fundamental concepts as reality, identity, objectivity, the verification of moral judgments, the meaning the statist gives your own words is not what you intend. Rational dialogue becomes impossible.

The error most make under these circumstances is to dismiss their opponent's irrationality as a mere personal fluke. This is a very serious error, because what has been encountered here is nothing less than the magical view of the world. It is more common than one might think, and many individuals who *consider* themselves rational don't realize that they share it. The magical worldview is a serious obstacle to libertarianism, for indeed, it would not overstate the case to say that reason and liberty stand or fall together.

"Magical thinking" is not an assorted grab bag of isolated superstitions, fallacies, and wishes independent of each other. It is an *integrated worldview* with definite assumptions, "logic," and theorizing, and it attempts to explain the same world reason does.

Rational people are often infuriated by the mere suggestion that magic has a "logic." Hating it, fearing contamination, they avoid discussing it at all costs. Thus the basic assumptions and central fallacies of the magical worldview are almost *never probed or challenged.*

Here are some examples of the magical kind of thinking:

> Baseball announcers don't mention it when someone is pitching a no-hitter: angry fans would blame the announcer for jinxing the pitcher.

> Several years ago I was in a car with a friend in a hurry to get someplace when we were stopped by a traffic light at an intersection before a railroad crossing. To calm his anxiety I said, "Well, at least a train's not coming." At that exact moment the crossing lights started flashing and the barriers descended as a long freight train passed. He behaved as if my comments were responsible for the train's holding him up.

> From a recent TV show:
> Patient, jokingly: "I need an operation, right Doc?"
> Doctor: "Yes, it's your gall bladder."
> Patient, worried: "You're kidding!"
> Doctor: "No, it has to be operated on."
> Patient: "That's what I get for making jokes! God is punishing me for making jokes!"
> Of course, the doctor had made his decision several hours before.

> And, from *The Crack in the Cosmic Egg*:

> Few people understood my fury when the medical center that had attended my wife requested that I bring my just-then-budding teenage daughter

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for regular six-monthly check-ups forever thereafter, since they had found—and thoroughly advertised—that mammary malignancies in a mother tended to be duplicated in the daughter many hundred percent above average. And clearly such tragic duplications *do* occur, in a clear example of the circularity of expectancy verification, the mirroring by reality of a passionate or basic fear. [Joseph Chilton Pearce (New York: Julian Press, 1971), p. 8]

An excellent summary of the magical worldview is to be found in Walter Goldschmidt's foreword to Carlos Castaneda's *The Teachings of Don Juan: A Yaqui Way of Knowledge.*

> Anthropology has taught us that the world is differently defined in different places. It is not only that people have different customs; it is not only that people believe in different gods and expect different post-mortem fates. It is, rather, that the worlds of different peoples have different shapes. The very metaphysical presuppositions differ: space does not conform to Euclidean geometry, time does not form a continuous unidirectional flow, causation does not conform to Aristotelian logic, man is not differentiated from non-man or life from death, as in our world. [p. 9.]

An even more radical statement may be found in Joseph Chilton Pearce's remarkable book (remarkable in that it does not shrink from even the most egregious absurdity), *The Crack in the Cosmic Egg.* Even though in the sequel, *Exploring the Crack in the Cosmic Egg,* Pearce modifies his position somewhat, *Crack* is still both a wonderful example of perfect nonsense and a consistent exposition of what the magic worldview really involves.

> Later I will try to summarize how an infant's mind is shaped into a "reality adjusted" personality, and show how this representation helps determine the reality in which the adult then moves. By analyzing how our representations of the world come about we may be able to grasp the arbitrary, and thus flexible, nature of our reality. The way we represent the world arises, though, from our whole social fabric, as Bruner put it. There is no escaping this rich web of language, myth, history, ways of doing things, unconsciously-accepted attitudes, notions, and so on, for these make up our only reality. If this social fabric tends to become our shroud, the only way out is by the same weaving process, for there is only the one. So we need to find out all we can about the loom involved, and weave with imagination and vision rather than allow the process to happen as random fate. [p. 4.]

Can it be that Pearce projects his own confusion onto reality, concluding that since the contents of his consciousness are confused, relative, arbitrary, fluid, and out of focus, reality is the same way?

The general principle underlying this book, and magical thinking in general, is what Lawrence Jerome, in his article attacking astrology in the October-November 1975 issue of *The Humanist,* calls "the principle of correspondence." He identifies this as the fundamental principle of magic and then examines how astrology makes use of it. The principle can be stated as follows: an object is associated with an analog object which has certain qualities, the qualities of the analog object then being imputed to the original object.

> Babylonian priests were quite "skilled" in using omens to foretell future events, usually in reference to business or state. Entrails of animals and natural events such as comets and eclipses were the omen-readers stock-in-trade. Complex rules were developed for reading the "signs," based upon the idea that, if the priest could see some sort of connection or analogy between the omen and the real world, the state or condition of the omen would by analogy foretell the upcoming state of the world.
>
> This is, of course, magic, and it may be fairly stated that essentially all magic—white, black, or sympathetic—works in theory the same way, via the "principle of analogies or correspondences." . . . the omen or magic object has certain physical properties that are related to the external world by analogy. For instance, the reddish color of the planet Mars means to the astrologer that it is magically related with blood, war, and the metal iron, which proved so superior to bronze for weapons. . . .
>
> The "principle of correspondences" is fully discussed in Cavendish's *The Black Arts,* Jack Lindsay's *Origins of Astrology* (1971), and my article "Astrology and Modern Science: A Critical Analysis" (*Leonardo* 6 (1973)). Initially, the correspondence is made within the magician's mind by means of his imagination and has only a superficial basis in reality. In most sympathetic magic, the magician's strength of will is supposed to complete the magic link between amulet and corresponding object; only in astrology is the magical link made automatically through the "celestial harmonies of the spheres."

What distinguishes Pearce, and the magic worldview, from the mere manipulation represented by the shamans and magicians, is the placing of consciousness as the analog object for the real world. Adherents to this worldview (magicians, for short) give reality the properties of consciousness. Magic thinking has these distinct features:

> Consciousness is king and reality an obedient servant.
>
> Reality is different for different people; or, there are different realities for different people.
>
> There is no reality independent of the mind.
>
> States of consciousness (words,

intent, feelings, assertions, etc.) are active and determine the form of reality. Words have power in themselves and prophecies are self-fulfilling.

But if all this is true, one might be tempted to ask, what prevents me from turning, say, my typewriter into Sophia Loren? Pearce has an answer. Reality is social in nature. The pressure of the socially created construct, which we naive realists mistakenly take for reality, forces most people to perceive a typewriter as a typewriter and not as Sophia Loren. Individuals are like lines, on his view, and culture is a force that bends the lines into a circle. Individuals *tend* to leave the socially acceptable reality but are prevented from doing so by the force of other people's thinking. Courageous individuals may enlarge the orbit of culture, but for the most part we can no more break away from culture than the moon can break away from its orbit about the earth.

The implications of all this are breathtaking in their absurdity. For example, when people thought the earth was flat, it really was. Before Columbus discovered America, it didn't exist. Before the Copernican revolution, earth was the center of the universe. Blood did not circulate in the human body before William Harvey discovered its doing so in the 17th century. Newton, Maxwell, Mendeleev, Planck, Einstein—all the greatest minds of the ages—were merely imposing their private visions on the rest of the world, robbing us of our own creative potential.

For those who find it incredible that any human being could maintain this with a straight face, I urge that they read as much of Pearce and Casteneda as they can stand.

Since, on these hypotheses, morality is impossible, the irrationalist will retreat, when pressed, to the definition of morality as that which is socially acceptable. Hence the reliance on democratic process and legal positivism. The challenge to reason is clear. The challenge to liberty is clear.

The acceptance of liberty depends on the nature of an individual's reality-concept, or, to use Kuhn's phrase, his paradigm. It is not hard to see why this should be so. Libertarianism's case is developed by reason. Its case for individual rights and noncoercion depends on the existence of an independent, knowable reality in which there is only one logic, Aristotle's, and actions are related to consequences as cause and effect. Though it may seem like flogging a dead horse to some, it is important to keep flogging *this* horse until it really *is* dead. We must not flinch from getting our hands dirty. We must never allow the enemy to go unchallenged. With this purpose in mind I offer a refutation of this tissue of absurdities.

In the first place, reasoning by analogy is *never* valid. An analogy may sometimes be a useful illustrative device, but it is never anything more. No analogy ever proves anything. Once the principle of correspondence is challenged, magic and the magic worldview collapse like a house of cards.

The proponents of magic never go beyond their assertions. While mathematicians committed to the strictest possible application of logic (precisely the logic the magicians deprecate) *have* gone beyond Euclidean geometry, those same mathematicians will admit both that Euclid's achievement was of the first rank and that Euclid is still valid for most practical purposes. (In technical parlance, Euclidean geometry is valid "locally" and non-Euclidean geometry is simply more general.) Modern affine, projective, hyperbolic, and differential geometries merely make some different assumptions from Euclid and pursue rigorously the logical consequences of those assumptions. At no point does wishful thinking enter the picture, least of all in the choice of assumptions or axioms—because the crucial purpose of our investigations is to yield knowledge of reality.

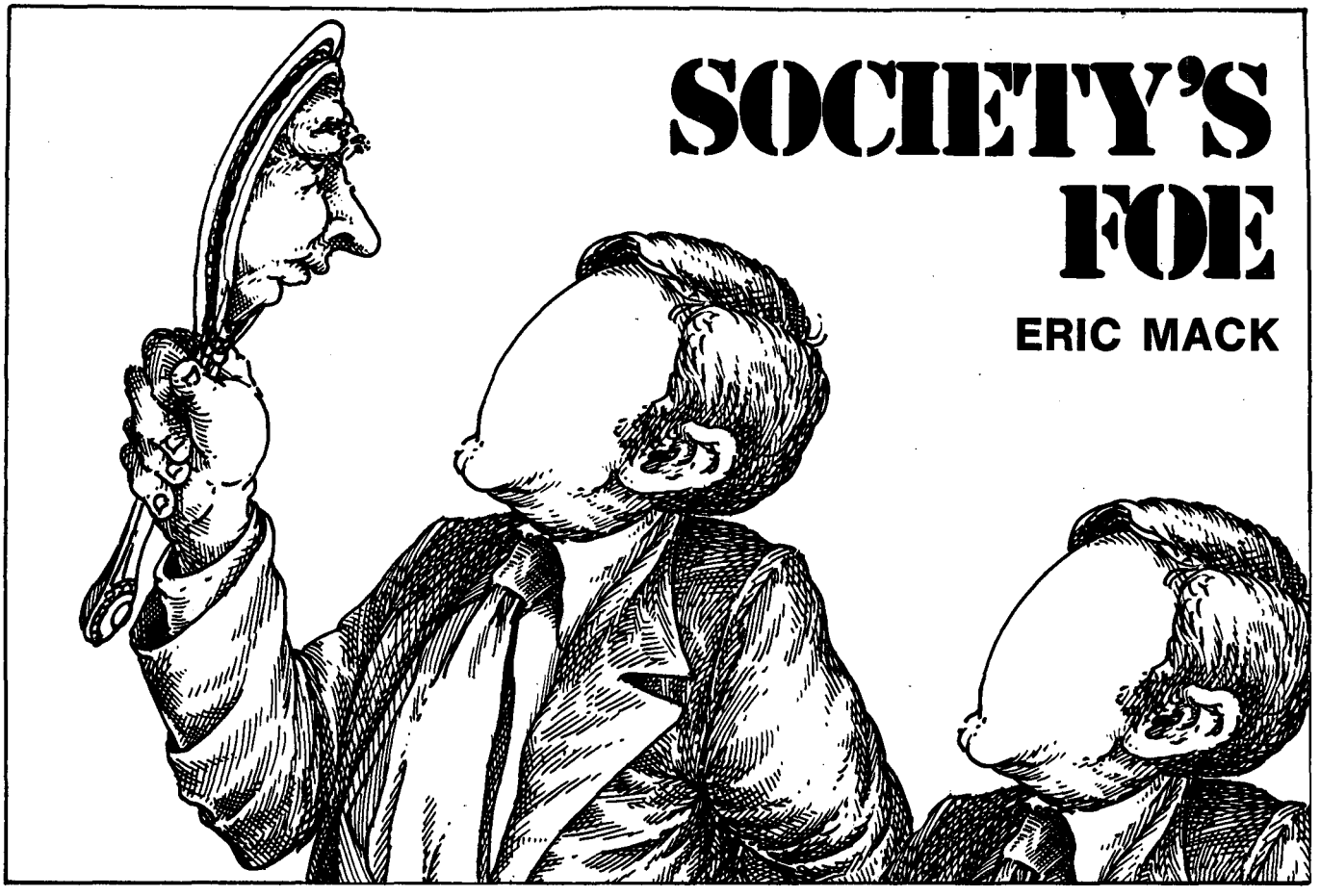
No advocate of magic has proposed an alternative either to Aristotelian logic or to causation that could stand even a moment's critical examination. (See Ludwig von Mises, *Human Action,* pp. 75-89, *Omnipotent Government,* pp. 143-47, and *Theory and History,* pp.31-32, 122-42, for discussions of what he calls "polylogism.") Logic, of course, cannot be proven valid, because proof and validity presuppose logic. The magicians, denying logic, can claim only preference and opinion, not validity, truth, or proof for their worldview. Their only recourse is to enthrone preference and opinion, denying any possibility of truth. This is, of course, what they in fact do, beneath all the verbiage.

That the world exists independently of the mind, and is not determined by consciousness, is a logically necessary truth. For the world (whatever its ultimate nature) must exist for individual minds to exist.

Further, unless there is an independent reality there can be no such thing as truth (conscious identification of reality, using language), right or wrong, good or evil, rights, or logic of any kind. Without an independent reality, no particular statement of the form "x exists" could be true (or false)! The denial of reality and logic therefore leads inexorably to the ultimate absurdity of denying existence itself.

We can see, then, that the magical worldview is the sheerest nonsense, totally unsupported by experience and, further, logically impossible. We then have nothing to fear from magic, and indeed a sustained critical attack on it can be of enormous psychological benefit, since nearly all of us are occasionally guilty of succumbing to it.

Far from being a mere theoretical exercise, the basic principles here outlined are of immediate practical consequence. Aside from demonstrating the involuntary nature of taxes, the refutation of the magicians bears directly on the nature of the justification of the State. For example, without some variant of the magical worldview, how could legal positivism make its claim that morality has no necessary connection with the law, that the law may sanction the use of coercion even for demonstrably immoral aims, that the law does not have to be justified on moral grounds? Surely the legal positivists are engaging in magical thinking as here defined when they assert that the law, *regardless of its content,* is still the law and can command obedience without entailing criminal acts on the part of makers and enforcers of the law. An insistence by libertarians that the law be justified on moral grounds, and morality on reality and logic, would be one of the most practical things they could do to help arrest the relentless juggernaut of the state as it tramples individual liberty. ◻



SOCIETY'S FOE

ERIC MACK

It is clear, in this Bicentennial year, that we no longer enjoy the fruits of the great libertarian movement, which attained its finest hour in the American Revolution. The Revolution's goal was freedom. Today we are governed. This is our essential political condition. Proudhon rehearses the features of that condition.

> To be GOVERNED is to be watched, inspected, spied upon, directed, law-driven, numbered, regulated, enrolled, indoctrinated, preached at, controlled, checked, estimated, valued, censured, commanded, by creatures who have neither the right nor the wisdom nor the virtue to do so. To be GOVERNED is to be at every operation, at every transaction noted, registered, counted, taxed, stamped, measured, numbered, assessed, licensed, authorized, admonished, prevented, forbidden, reformed, corrected, punished. It is, under pretext of public utility, and in the name of the general interest, to be placed under contribution, drilled, fleeced, exploited, monopolized, extorted from, squeezed, hoaxed, robbed; then, at the slightest resistance, the first word of complaint, to be repressed, fined, vilified, harrassed, hunted down, abused, clubbed, disarmed, bound, choked, imprisoned, judged, condemned, shot, deported, sacrificed, sold, betrayed; and to crown it all, mocked, ridiculed, derided, outraged, dishonored. [Quoted in Nozick, *Anarchy, State and Utopia* New York: Basic, 1974), p. 11.]

Are we free of any of these?

The history of the last 200 years in this country is largely a tale of the transformation of a society of free people into a governed mass. There are ideological reasons for this transformation, for this loss of our Revolutionary heritage—among them a neglect of natural rights theory and a failure to distinguish between society and the State. This neglect and this failure are not, of course, the full story. But if we are to again find freedom, and perhaps a fuller and more secure freedom, we must attend to natural rights, to the distinction between society and the State, and to the relation between the two.

People have written often and eloquently of the antagonism between society and the State. Spencer, Oppenheimer, Nock, and Rothbard have all emphasized that the State's "political" mode of operation is incompatible with the "economic" or "industrial" or "social" means of free cooperation. Mises and Hayek have emphasized that it is impossible for the inherently ignorant "political" means to generate, or even sustain, the rich, complex social and economic order that freedom and free association produces.

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Furthermore, in recent years there has been a powerful renewal of interest in natural rights theory among libertarian and other political theorists.

Here my primary focus is on the radical distinction between society, a complex network of free relationships among individuals and freely formed groups, and the State, a coercive entity that directs people's actions, associations, and lives. But rather than develop this distinction in economic or sociological terms, I do so in terms of natural rights and related political/philosophical concepts. It is crucial to draw such a *fundamental* line between society and the State in order to dispel the harmful idea (often unstated) that it is to the State that we must look and it is the State that we must thank for our social existence. *Just the opposite is true.*

A preface to my main points is necessary to avoid the possibility of confusion. I will be focusing at times on the importance of rejecting any belief in a preordained Just Order of Things in accord with which the State is supposed to mold society. That rejection should not be confused however with a lack of concern for justice in *other* senses. In this essay itself, for instance, I emphasize (though not in these words) the demand of justice that people be left free. But I do not here consider justice in the sense of people getting what they personally deserve. Nor do I consider the many other values, such as autonomy and self-respect, with which libertarian theory must be concerned at some point. The expression and development of these concerns is a task for another day.

The notion of natural rights, in the form crucial to libertarian political philosophy, was put on the philosophical map by John Locke. With hindsight we can see that in numerous ways Locke's views were nonlibertarian and confused. But the terminology he created remains the best and most natural for stating the libertarian position and for indicating the fundamental anti-State logic of this position—a logic that Locke, unfortunately, did not fully appreciate.

According to Locke, individuals share a common nature and are therefore morally equal. This means that no person is morally subordinate to any other. Each is a morally independent being. No person may treat another as if he were made for the first party's purposes. Each person is an end-in-himself and not a means at the disposal of others. In his own words, "Sharing all in one Community of Nature, there cannot be supposed any *subordination* among us, that may Authorize us to destroy one another, as if we were made for one another's uses. . . " (*Second Treatise on Government,* par. 4). To murder someone, to bind him, to take his labor, is, Locke perceived, to treat him as if he were merely an unclaimed resource at one's disposal. But persons are ends-in-themselves. No one is morally subordinate to anyone else in a way that would justify such disposal. For this reason, any act in which an individual is deprived of his life or his liberty or his property (the property being acquired by a type of infusion of labor) is unjustified. Everyone has a right against such aggressive actions.

Since the only obligation people have in their natural moral state is the obligation to refrain from aggression, everyone is morally free to do anything whatsoever that is not aggressive. Everyone, then, possesses a right to life, to liberty, and to the property into which he has nonaggressively infused his labor. Individuals possess these rights by nature—that is, in virtue of their respective natures as morally equal and independent beings who are not made for one another's purposes. In short, by nature all men are morally in *"a State of perfect Freedom* to order their Actions, and dispose of their Possessions, and Persons as they see fit, within the bounds of the Law of Nature, without asking leave, or depending upon the Will of any other Man" (Locke, par. 4). Moreover, everyone possesses "the power to execute the law of nature," by which Locke means that people also possess the right to defend what is theirs by right and the right to take countermeasures against violators of rights.

The importance here of such "Lockean rights" is threefold: (1) It is by means of such a notion crucial to a precise characterization of natural society, that we can accurately make the distinction between society and the State. (2) Society will turn out to be just what is produced when Lockean rights are exercised on an ongoing basis. The State can have no role in, and indeed is necessarily antithetical to, the existence and growth of society. (3) Lockean rights alone provide the moral philosophical barrier against the State's encroachment upon society.

Initially, I spoke of society as a complex of voluntary relationships and institutions. This description will do as a rough characterization. But ultimately we must turn to the notion of Lockean rights to explain what is meant by "voluntary."

Consider whether an employee acts voluntarily when he unhappily accepts employment at less compensation than he had hoped for. Although he acts unhappily or unwillingly, if he accepts the job his act is nonetheless in some sense voluntary. It is voluntary *in the sense* that no right of his was violated in procuring his employment.

Consider next the aggressor who is required to cease aggressing and to make restitution. He is not a *voluntary* subject of defense or retaliation. If society were strictly and literally a complex of *only* voluntary relationships, then it could not include defensive and retaliative acts.

Following Locke, then, socially legitimate acts are not to be specified as just those that involve voluntary relationships, but rather as just those that violate no one's Lockean rights. Acts of inducing people to accept employment and acts of defense and restitution are legitimately social just because they do not violate such rights. The conception of society whereby it is initially characterized as a network of voluntary acts, relations, institutions, etc., must be made more precise: it is a network of acts, relations, and institutions that do not involve the violation of Lockean rights.

Since society is merely this network of nonviolating acts and associations, no State decrees, no State planning, no State good wishes, and no State metaphysical hocus-pocus is necessary for society's existence. Society is the exercising, and the modes and means of exercising, individual rights. In exercising these rights people acquire and define property, enter into contracts, and forge associations of all sorts.

Individuals may even create institutions designed to help them to protect and exercise their Lockean rights. But such institutions are, at most, tools.

They are not needed to work any essential transformation of the network of legitimate actions and relationships. These institutions merely secure freedom and peace by securing the natural rights of the individual.

It is historically unfortunate that Locke himself envisioned the universal compact that he thought creates the State as also creating civil society (par. 87). For this blurs the distinction between the State and society. On this particular issue Hegel was far clearer than Locke, both verbally and philosophically. Hegel recognized the fundamental divide between (1) the complex of those voluntary relations and institutions through which people exercise their individual rights *and* whatever further institutions they freely create to protect these rights and voluntary relations and (2) that institution that presents itself as nonoptional and nonbeneficial to the individual and his private well-being and as demanding systematic obedience and sacrifice.

Hegel, rightly, considered everything involved in (1) to be part of civil society, while (2) is the State.

> If the state is confused with civil society, and if its specific end is laid down as the security and protection of property and personal freedom, then the interest of individuals as such becomes the ultimate end of their association, and it follows that membership of the state is something optional. But the state's relation to the individual is quite different from this. [*The Philosophy of Right,* par. 258.]
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> It is false to maintain that the foundation of the state is something at the option of all its members. . . . The great advance of the state in modern times is that nowadays all citizens have one and the same end, an absolute and permanent end; it is no longer open to individuals . . . to make private stipulations in connection with it. . . . [par. 75.]

A State must transcend the voluntary and beneficial institutions of civil society. If an institution is freely created and merely protects individual rights, then, according to Hegel, it lacks the Divinity attributed to the State.

Hegel, of course, favored the State just *because* it encroaches upon the individual, his freedom, and his property. We should nevertheless applaud his perception that if an institution is merely voluntary and merely protective of rights, then it cannot be a State—it is merely an arm of *civil society.*

Many critics of the State—for instance, Nock—say that *either* one has natural (Lockean) rights *or* the State's declarations determine what rights one has. But there are more alternatives. There are other proffered justifications of the State besides the view that the State itself determines rights. It is important to see what these alleged justifications are, to see how they require offenses against society as we have understood it, and to see how the theory of natural rights provides the grounds for opposing this offensive. Merely to hold that it rules out the State as the determinant of rights is to give too little credit to natural rights theory.

Rather than holding that the State is, by its very nature, the authoritative source of rights, most pro-State philosophers have advocated the State as the tool for implementing some purported Just or Right Order of Things. (The most recent and sophisticated argument for this is made by John Rawls in *A Theory of Justice.* An already classic response is provided by Nozick, chapter 7.)

The view of such pro-State theorists is that there is some Just or Right Order of Things, that this order must be implemented deliberately, and that the State is the institution charged with that task. The Just or Right Order may be envisioned as that in which there is the greatest happiness for the greatest number, or that in which there is equality, or that in which goods are distributed according to height, or that in which left-handed people are twice as well off as right-handed people.

All these conceptions have a common feature. Each presumes that there is some pattern or distribution of the good things of life among the members of a given society that *as such* is Just or Right. Each presumes that to understand justice is to understand what pattern of goods, liberties, or prestige should exist among individuals. Each presumes a patterned conception of justice. Almost all pro-State philosophers have based their advocacy of the State, not on the claim that *whatever* the State does is right, but rather on some patterned conception of justice.

Why does belief in any patterned conception of justice involve advocacy of the State? Because the realization of any patterned conception, the creation and maintenance of any favored allocation, always will require State intervention. It will be necessary whenever the ideal is a pattern because the result of the free exercise of Lockean rights, that is, the result of societal processes, is nonpatterned. There is no preidentifiable, prespecifiable, pattern of goods or prestige or happiness when the distribution of these things is merely the product of each individual freely exercising his Lockean rights. Hence when the ideal *is* a specified allocation, it can only be attained by interfering with the free exercise of Lockean rights.

As Nozick puts it, liberty upsets any pattern. Thus, the institution of any favored, allegedly Just or Right, pattern requires the curtailment of liberty and hence of society. When some allegedly Just or Right Order of Things is the ideal, (at least) the partial destruction of society is the necessary means. When the State appears as the standard-bearer of any Just or Right Order of Things, it necessarily appears as the enemy of society.

Of course, the defender of the State thinks that if society is (merely) the complex of voluntary actions, relations, etc., then it should be sacrificed on the altar of the Just or Right Order of Things. The theorist who holds that there is some ordained pattern demanded by justice recognizes no rights but the right to the ordained pattern. His is a pattern-dependent conception of rights. For instance, if equality is deemed the Just Order of Things, he will say that everyone possesses a right to equality—and only this right. Nothing that might be done to an individual in effectively creating a pattern of equality would violate any right he possesses.

This pattern-dependent conception of rights, therefore, legitimates whatever is done to persons by the State in efficiently creating the worshipped pattern. We see, then, that a belief in a given, ordained Just Order of Things

requires an offensive against natural society and also carries with it a view of rights (the pattern-dependent view) that legitimates that very offensive against society.

We might simply oppose the State's coercive campaign for the Just or Right Order of Things by claiming that such a campaign would violate individuals' natural rights and by pointing out that the State could not have the right to violate them. A more profound objection is available, however—one directed at the very conception of rights that is involved in the Just Order defense of the State. As we have seen, this defense of the State presumes that some ordained pattern of Things is primary and that whatever rights individuals have flow from their (potential) place in the sanctified Order. In contrast, on the Lockean conception, rights flow from individuals and not from any sanctified patterns. Individuals possess rights in virtue of being human persons who are moral ends-in-themselves. Rights inhere in the individual and are independent of, not a function of, any alleged Just or Right Order.

On the view that rights flow from individuals, there is no room for the conception of a preordained Just Order of Things upon which people's rights depend. The dependency relation is reversed. Individuals have rights, and the exercise of their rights creates various social distributions, patterns, orders, and structures. And *whatever* distributions, dispersals, structures, etc. are created in the exercise of these rights are legitimate. (To say they are legitimate is to say that no one has the right to forcibly alter them. It is not to say that whatever results from the exercise of rights is good or noble. Legitimacy is, here, a political, not a moral, concept.)

The totality of orders, structures, etc., resulting from the exercise of individual rights is nothing but society. Natural society is sanctified by the view that whatever results from the exercise of rights is legitimate. And, of course, to legitimate natural society is to condemn the State.

Imagine a small group of people who, finding themselves on the proverbial desert island, are about to form systems of relationships and association. Imagine that they fix on some Order of Things as ordained by Justice. If they do, they must immediately establish a State charged with intervening in the natural, that is, voluntary, development of society. For such intervention will be necessary to create and maintain any predesignated Order. Of course, they would be wise, instead, to refuse to endorse any Order as the Just. They would then simply allow and protect the exercise of society-generating Lockean rights.

Now consider the subsequent relationships between two members, A and B, of this State-less group. A and B are free to decide how they are to relate to one another. Perhaps the rational, optimal, thing for A and B to do would be to continue to exercise their natural individual rights to liberty and property, to enter into limited trade agreements only—in short, to establish or maintain between them a mini-laissez-faire, capitalist, sub-society. On the other hand, they might agree (rationally or irrationally) to a complete communalization of their talents, productivity, goods. Or they might agree to a system in which A would be B's servant for a week, then B would be A's servant for a week, and so on.

No State decrees, no State planning, no State good wishes, and no State metaphysical hocus-pocus is necessary for society's existence.

A and B *may* be so psychologically constituted that they would be better off with some arrangement between them other than mini-capitalism. But the point here is that any one of these social sub-orders would be legitimate if it came about, as we are supposing it might, through the legitimate processes of A and B exercising their respective rights, including their rights to enter into various agreements.

The moral of this example is that in rejecting the notion of a preordained Just or Right Order of Things, we are accepting a type of *pluralism* about what orders can exist legitimately. Any arrangement, be it over a whole society or among certain members of that society, will be legitimate as long as the process that produces it is legitimate. And, essentially, a process is legitimate if it is voluntary.

The corollary, then, of the libertarian defense of the individual and society against the pattern-producing State is, to resurrect a fine old term, "voluntaryism." Capitalism, when it is voluntary, when persons are not forbidden to form noncapitalist relationships among themselves, is legitimate simply because it is voluntary. It is the system of voluntary relations that exists among persons who (at least for the most part) retain and exercise, rather than voluntarily forgo, their natural Lockean rights. But voluntaryism would also give its stamp of legitimacy to any other system or sub-system (recall the case of A and B) voluntarily chosen by those it encompasses. The rejection of pro-State political philosophies requires nothing less than this full-fledged voluntaryism.

Emphasis on this clears the air of any suggestion that libertarianism is an apology for any particular group of persons or for any particular lifestyle. This emphasis makes explicit the common ground of all non-coercionists, whatever their particular tastes in forms of association. And this emphasis makes explicit the fundamental differences between libertarianism and all traditional (coercionist) political movements. It points to the distinguishing aspects of our Revolutionary orientation: the recognition of and respect for each individual's rights and the sense that society is the product of the freely coordinated exercise of these rights.

Finally, the emphasis on voluntaryism reinforces our insight that society as such has no preordained goal; there is no order or pattern with which it must comply. Society is merely the product and the tool of individuals' free pursuit of their own goals and purposes. To ascribe a goal to society *as such*, a goal that overrules the individual's free pursuit of his own goals and purposes, is not to elevate society. Rather it is to pave the way for the State and for the destruction of natural society. ◻

FOREIGN CORRESPONDENT

AUSTRALIAN ADVANCES

Sydney, NSW. It is two years since our libertarian party, the Workers Party, was conceived, and eighteen months since it was born. These two years have been two of the most turbulent years in Australian politics for many decades. As a result, the Workers Party has been able to achieve what could be considered spectacular success when compared to libertarian ventures in other parts of the world.

As I mentioned in a previous column, in 1972 the socialist Labor Party formed its first federal government in 23 years. Although they held a majority in the House of Representatives, however, they did not have a majority in the Senate. The Senate majority holders—the Liberal/National Country Parties—were thus able to block Labor's Bills.

To end this impasse, the Governor-General ordered new elections in mid-1974. Unfortunately, the vote changed nothing. A Labor majority was returned in the House of Representatives, and an opposition majority returned in the Senate.

With the economy steadily going from bad to worse, the Liberal/NCP opposition changed its leader—electing the present Prime Minister, Malcolm Fraser—and awaited its moment. In late 1975, it finally moved, threatening to block the crucial Supply Bills for the Labor government's Budget.

Prime Minister Whitlam decided to tough it out. But after several weeks, his own appointee, Governor-General Sir John Kerr, finally resolved the deadlock by sacking the entire Whitlam government, and installing Malcolm Fraser at the head of a caretaker government. At the general election which followed, the Liberal/NC Parties won government with a huge majority.

This election was the first general election contested by the Workers Party. Because of the circumstances, it was held at very short notice, and was highly polarized. Even so, we managed to field 73 candidates, spend a couple of hundred thousand dollars, and gain around 175,000 primary votes (representing about 100,000 different voters). The best result in an individual election was just over five percent of the votes, or 3000+ voters in a single electorate. Needless to say, we did not actually win any representation. (The figures are approximate because the complexity of the voting system and its administrative bureaucracy make final figures difficult to compute.)

Given the circumstances of the election, we thought the results were satisfactory for a 10½-months-old party. Taken nation-wide, we outperformed all the other minority parties. Some did better in particular states, but not overall. Since the election, they have all virtually shut up shop. We are now the major minority party.

This year we have run limited campaigns in both the Victorian and New South Wales state elections. Victoria is the state in which the Workers Party is weakest, so we only contested four seats, polling between 1.5 and 4 percent. In NSW we also concentrated on a small number of seats (13 out of a possible 99). Of the 13, we only campaigned in nine, the remaining candidates being just names on ballots. We averaged just under 4 percent over the 13, and 5 percent over the nine. The best result was 7 percent, which we achieved in two seats. Overall, this was twice the average result achieved in the federal elections six months previously.

We have also contested one local council election. Neil Russell stood as a candidate for one of the local councils within the city of Brisbane in Queensland—and he won. Because these local council elections are smaller, and are largely ignored by the major parties, I hope the Workers Party will concentrate some effort on them in the near future. If won, they can provide a very effective stepping stone to wins in state and federal elections.

In the immediate future, as there are no general elections imminent, we intend concentrating on issues of principle. We are currently staging a nationwide protest over the compulsory census now being conducted. We have recommended to all our members that they refuse to fill out the forms, and have issued them with a protest letter to attach to their form stating their case, and defying the government to prosecute them. Our South Australian Division has also waged a war with some unions over a party member's decision to sell discount bread in his shop; has taken on the state government over another member who refused to submit to the licensing of his hypnotherapy practice; and has supported other members who own businesses who have decided to defy the Census and Statistics Department's "requests" for information on their businesses. In NSW during the State election we ran a mini-bus service for a few days to demonstrate our ideas for alternative public transport systems.

All these efforts were richly rewarded with new support. Since mid-1975 we have had two levels of membership—$50 and $10. Our total membership is now over 1,600. In addition, we have received good press and media coverage, and as a result are now widely accepted as a serious political entity. Our public image, however, could be improved. There is a substantial difference between what we stand for and what we are commonly thought to stand for. We are mainly seen as an extreme right-wing conservative party, and thus have alienated the young and/or leftish voters, which is a pity.

Early last year, one of our members, John Curvers, suggested in a widely circulated letter that in order for a libertarian party such as ours to be really successful, we should hide our "bible"—the party platform—and sell instead a "catechism"—a three-year plan of simple, popular policies. In New Zealand the Alpha Party was launched with this view in mind.

Curvers' point was that selling the "bible" was counter-productive, as it was too much, too soon for too many people and turned—or frightened—them off. It was pointed out in the letter that the Catholic Church succeeded with the catechism, as did Mao with his little red book. It was suggested that we develop a "catechism" for mass consumption, and from those who liked it there would emerge those who wanted to know more. These could then be slowly introduced to the whole libertarian philosophy.

This idea has great merit. We no longer push our platform as much as we used to, and have put a lot more effort into policy development. I mentioned the importance of these in my previous column.

However, while John Curvers' idea is simple in concept, it is difficult to put in practice. Detailed and successful policies are not easy to develop, particularly for a party not over-endowed with professional academics. For this reason, although there has been general acceptance of the idea, there have not been dramatic changes as a result of it.

We are achieving balanced growth. We have had the stimulus of two major elections in NSW, for instance, and have produced policies to fight them on. These were widely circulated. At the same time we are building up our educational facilities. Duncan Yuille, one of the Governing Directors of the WP, has started up a much-needed book service, and reports a good business from all over Australia. The state divisions of South Australia and Queensland have under-way "Schools for Workers," where members pay to attend lectures on the libertarian philosophy. NSW will soon follow suit. The party in South Australia has also stipulated that any candidate for party or political office must be a graduate of its school, unless granted special exemption (for instance, if Murray Rothbard lived in South Australia and wanted to stand for office, with a bit of luck he would be exempted).

There are moves afoot to set up a Centre for Independent Education (Greg Lindsay's baby) and an Australian chapter of the British organization, the Institute for Economic Affairs. Prof. F. A. Hayek will be coming out here in a couple of months, and Milton Friedman last year had a very successful tour. If we get advance notice of these events, we are in a position to be able to arrange for good national media coverage for them.

The WP organization is slowly and painfully taking on some form. We have the usual problem of funds, and a serious problem of a lack of good leaders. Too much of the work is falling on too few people still. Party activity is a great drain on personal time and finance, and many of our best people are in danger of being burned out. Overall, however, we are seeing good, solid progress in the building of a libertarian movement.

Bob Howard

VIEWPOINT

PRIVACY RIGHT IS A HUMAN RIGHT

Dictatorship, and dictatorship's energetic little cousin, authoritarianism, manifests itself in many ways: book burning, repression of political dissent, officially sanctioned prudery, torture, encrusted restrictions on individual initiative, economic collectivism of one sort or another, and, let us never forget, in massive invasions of privacy.

These United States represent the freest great nation on earth, the noblest, longest-lasting experiment in liberty ever attempted on this earth. While this country or that may in one or another area of human life exemplify a greater allegiance to genuine freedom than we, combining all the aspects that comprise "freedom" we find our own nation unquestionably the leader of the world. We are a beacon, and while we last free there is hope for the rest of the world.

For decades—indeed, for two centuries—a concept of a genuine right to privacy has been developing in America. It's been a two steps forward one step backward affair, by no means a clear, unequivocal move toward some pristine state of absolute liberty in this regard.

But the trend has evolved toward much more freedom of privacy, and many Americans, probably most Americans, have properly equated this trend with "progress," and have regarded the courts, including especially the Supreme Court, as well as legislative bodies including the Congress, as committed to enhancing this right.

Earlier this year the Supreme Court of the United States ruled, without so much as writing an opinion or hearing oral argument, that a repressive Virginia statute on private sexual practices is indeed constitutional. So anxious were the Justices to get this one out of the way that they refused to do as three of their number thought wise: wait to pass on the case until the entire court could hear the full range of arguments.

It is as if the nine men in black could see no connection whatsoever between the sanctity of the bedroom and the general state of liberty in our country.

The statute in question, nearly 200 years old, forbade a variety of sexual acts, acts considered by many, maybe most Americans as "unconventional," including some heterosexual activities. The Court ruling, however, like the Virginia ruling in Federal court, concerned only homosexual acts between consenting adult persons in the privacy of their homes.

One needn't approve homosexuality for oneself or one's family to champion the right of homosexuals to do as they will with themselves in private. One needn't even believe that homosexuals have ranked and rank now among the most productive, talented, energetic, decent people on earth in order to decry the Supreme Court's decision and see it for what it

DAVID BRUDNOY

is: naked authoritarianism, a monstrous denial of what has come to be seen here as a fundamental human (at least American) right.

But surely it is the want of imagination and compassion and understanding on the High Court that permits such a foul ruling. Only those who truly believe that homosexuals are not quite humans, the way (of course) the Justices are humans, could fail to see that the Virginia law subjects homosexuals to a discrimination even more heinous than the already outrageous

discriminations they suffer under other laws.

Nihil humanum a me alienum puto—so wrote the Ancients: nothing human is alien to me. But mankind operates far more often with a corruption of that maxim: nothing alien is human to me. Such it is that National Socialists could attempt the annihilation of Jewry. Such it was that some whites in America could countenance the enslavement of blacks, and that some even today can regard Negroes as less than human. Such it is that the pro-abortion lobby can disregard the fetus's right to life. In all such cases and others too numerous to mention, the fundamental flaw in the persecutors' mentality is their inability to grasp the essential, identical humanness of us all.

Certainly this ruling does not open the floodgates now to legalized extermination of homosexuals. It only—only!—gives enormous support to those who would hound homosexuals even into the confines of their homes. It provides unequal protection of the laws, it makes mincemeat of the emerging right of privacy, and it is cruel, vicious, stupid, and base. It is a ruling that all Americans, heterosexuals as well as homosexuals, have good cause to mourn. A travesty, a damnable shame.

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BOOKS

THE GODS OF ANTENNA. By Bruce Herschensohn. New Rochelle: Arlington House. 1975. 155 pp. $7.95.

Reviewed by David A. Pietrusza

Criticism of the various aspects of television is perhaps a bit overdone. After all, the medium basically is in a stage of infancy. Younger even than radio, it has not had time to perfect itself over the centuries as have drama, literature, newspapers, or magazines.

But the faults are still there, whether one looks at the dross dished out to us by the networks in this miserable television season, the screaming, mindless, tasteless game shows that the locals foist upon us—or the quality of network news.

Whether the fault lies with those who provide us with it or whether the fault is inherent in the medium itself, one cannot be sure; but the germ of public suspicion which the now-unmourned Spiro Agnew first voiced is now widely discussed and increasingly documented.

In Edward Jay Epstein's *News From Nowhere*, Kevin Philips' *Mediacracy*, Edith Efron's *The News Twisters*, and this latest book by former White House staffer Bruce Herschensohn, there is compelling criticism of broadcast journalism.

Because the time available for each story is limited, and because television fosters an emphasis on action, words and pictures—when broadcast to a nationwide audience—take on meanings which can overwhelm the casual observer of current events. The meanings are obvious to many who seek to manipulate television. As one member of the New Left said in the 1960's, the television networks in their one or two-minute stories on demonstrations were making "commercials" for the demonstrators.

Now this can be done for either side in the political arena. Stories may be slanted—or just plain omitted—by whoever edits the news. The same may be done in newspapers or magazines as well, but the effect is magnified with the near monopolistic control of television that the networks have.

Herschensohn was—and still is—a Nixon man. Quite a bit of his book is devoted to a spirited and loyal defense of his former employer. At times, the exhibition is more than a little overdone. It may in fact be true that Nixon was hounded from the White House for offenses no worse than his predecessors committed. It does not change the fact that he was finally proven guilty of them and the choice at that point was either to oust Nixon or to say that a president may do whatever he chooses, without fear of detection. But if a reader can wade through this rather interesting example of to-the-bitter-end loyalty, he will come upon one of the more cogent essays on media bias and news slanting available.

Mr. Herschensohn, besides being an extremely skilled and articulate writer, is also a very talented producer, director, writer, and editor of films, so talented, in fact, that he was nominated for an Academy Award in 1964. He plainly knows how to place things on film, how to create emphasis, how to get his point across. Because of this, he is uniquely able to analyze just what is being broadcast in the name of unbiased reporting to millions of viewers across the nation.

One of the most fascinating segments of the book is the chapter "Lights, Camera, Action." This chapter should be reprinted or excerpted elsewhere. Night after night, we may watch the news and know we are being spoon-fed doses of somebody else's ideology, but Herschensohn, step by step, lays out the entire process—with examples.

Take the matter of story placement. If a story is announced first, like Watergate or the CIA, it is obviously the most important. If it is buried into the broadcast after Geritol and Preparation H commercials, like most stories about our weakening national defense posture, it obviously isn't important.

Other devices which may be used by newsmen to create favorable or unfavorable impressions in the public mind include selectivity of interviewees, inclusion or omission of crowd size, catch phrases, recapping old news out of context, pretenses at guaranteeing balance, and outright creation of news by massive coverage and repetition.

Then there is "Un-News." If a story doesn't prove the point the media is trying to make, it is ignored. While we were getting all sorts of sordid stuff on Republican dirty tricks during the Watergate hearings, how many can recall that at the same time it came out that Bill Moyers, that Lyndon Johnson protege who became a paragon of public television journalism, was found to have asked the FBI to spy on 15 members of Senator Barry Goldwater's campaign staff?

Or how many people know who Jack Chestnut is? While anyone can tell you who John Mitchell and Maurice Stans are, a very few know

Chestnut. Yet Chestnut, who was Hubert Humphrey's 1972 campaign manager, was convicted of illegal acceptance of campaign contributions—charges of which Mitchell and Stans were found innocent. Humphrey, once mentioned prominently for the presidency, testified at the trial. Yet how many are aware of this? And why so few? Only because the media chose not to consider the episode "news."

The list can go on and on, filling more than just one book. As solutions, Herschensohn recommends lifting of all FCC restrictions that have nothing to do with "the uniqueness of frequency licensing," discarding of the "Fairness Doctrine," the junking of the Equal Time Rule, ending of Federal subsidies for the Public Broadcasting System, and institution of a totally new government-oriented television network to be used for "Presidential addresses, the President's press conferences, legislators' responses to his views, and by government spokesmen for agencies and departments."

This last idea seems particularly dangerous and—for want of a better term—"Un-American." It would aim another source of propaganda at the public and would give an unfair advantage to Federal incumbents. Even in the last century and early portion of this century, when newspapers openly proclaimed themselves to be Democrat or Republican (and thus received a share of legal notice advertising), no newspapers were owned outright by the government. No television stations, radio stations, or newspapers should be so owned now.

It is easy to understand Mr. Herschensohn's frustrations over the inaccuracies of broadcast journalism, but the option of forcing government-sanctioned pablum down the public's throats is not and should never be the solution to correct the errors of a free—if flawed—press. ◻

David Pietrusza holds a Master's degree in American history from SUNY-Albany. He is an associate of the New Guard *and has written for* National Review *and* The Freeman.

WORK JOBS. By Mary Baratta-Lorton. Menlo Park: Addison-Wesley. 1972. 255 pp. $9.95.

WORK JOBS . . . FOR PARENTS. By Mary Baratta-Lorton. Menlo Park: Addison-Wesley. 1972. 115 pp. $3.95.

Reviewed by Mary Naylor

In the spirit of Montessori, but with the approach of the English Infant Schools or Open Classroom, Mary Baratta-Lorton has written two books especially suited for adults whose aim it is to motivate the young child, and to help him to discover that learning can be a fascinating adventure.

The first book, *Workjobs, Activity Centered Learning for Early Childhood Education,* emphasizes the need of the young child to move freely in the environment. Learning and hand-eye coordination develop together through *workjob* activities—her term for use of everyday materials by the child in a learning center.

Ms. Lorton points out that preschool children are "creative, resourceful and imaginative." They learn through experimentation. "Life is a fascinating world of activity to a young child," she writes, "—a place for doing and discovering and trying things out."

However, when a child goes to school, personal discovery slows down. The child watches the teacher demonstrate things on a flannel board, or listens to the teacher talk, or must "sit still and be quiet" until everyone is finished. As a result: "for far too many children, school is a place where, for the first time in their lives, they stop learning."

They don't stop learning, however, if they are lucky enough to go to a school which uses the materials and has the educational philosophy of a book like *Workjobs.* The pages of *Workjobs* describe a rich variety of absorbing learning centers which usually can be made from common, easily obtainable materials. They are fun to make and fun to use. With the materials, learning centers cover a range of concepts:

- (Language) perception, matching, classification, sounds and letters;
- (Mathematics) sets, number sequences, combining and separating groups, and relationships; and
- (Activity-centered learning) why and how.

As an example of how learning activities go on, the concept of "combining and separating groups" is illustrated by using ice cream cones, airplanes and hangars, hide 'n' go seek games, bead frames, bead addition, cars, combination blocks, snowmen and beans. "Sinking and floating" is

(continued on page 48)

INVESTIGATE
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**** Help create a new educational approach to replace the existing accreditation system.*

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MOVIES

• **LOGAN'S RUN** starts out rather unpromisingly as a futuristic melodrama that is all hardware and no soul. But it gradually improves in both plot and character until, at the end, it actually has something meaningful say. Michael York stars as Logan, a "sandman" in a 23rd Century domed city which has become the ultimate welfare state. Babies are born in test tubes, and everyone's material needs are taken care of by machines run on tidal energy, leaving people free to be lifelong hedonists. But no one is allowed to live past the age of 30. As a "sandman," Logan's job is to track down and execute "runners" trying to escape their approaching end. Eventually, when too many people have successfully fled the city, York is ordered to become a "runner" himself and find out where the escapees have vanished. Instead, with the help of his new girl friend Jessica (Jenny Agutter), he actually does escape, and the two find themselves in an abandoned "outdoor" city. It is Washington, D.C., deserted centuries ago after a catastrophic war, and now decaying slowly into wilderness (an idea which, under different circumstances, would warm the heart of every libertarian). Knowing nothing of this strange world, Logan and Jessica must discover anew the possibility of creating a life for themselves outside the dome, and experiencing the freedom to grow old. Peter Ustinov, in a supporting role as the eccentric and sympathetic "old man," has the best part in the picture. Production values are superior: the interior of the domed city is suitably flashy, though the atmosphere often seems reminiscent of a modern airport terminal. The most striking special effect is created by the use of moving holograms during Logan's recapture and interrogation. Though not a classic, *Logan's Run* is superior to most science fiction movies of recent years. Rated "PG."—**Charles F. Barr**

• The concept behind the World War II spectacular, **MIDWAY**, seems to be the kind of thinking that suggests that if you take a Chevrolet and load it up with every conceivable option, you may wind up with a Cadillac. *Midway* misses the mark as the Cadillac of war movies—pedestrian scripting and characterization see to that—but in terms of sheer physical production, it is the most ambitious attempt yet to simulate the experience of war. Studio footage is expertly intercut with actual color movies taken during the battle by both American and Japanese participants. Planes are blown apart as anti-aircraft guns pound away from the decks of carriers. Huge ships are reduced to flaming rubble by bombs and torpedoes. Universal's "Sensurround" system, used so successfully in *Earthquake,* creates a realistic concussion effect to accompany the spectacular bombing scenes. The all-star cast, led by Charlton Heston, Henry Fonda and Toshiro Mifune, performs in a businesslike but uninvolving manner. Declining to make any ideological points, the film treats the battle much like a high-stakes chess game, with the emphasis on overall strategy, and with the outcome decisively influenced by factors (such as weather) which neither side can control. Viewed from this perspective, the battle becomes somewhat of an impersonal affair, with the deadly game more important than the players. But what *Midway* lacks in human drama, it makes up in spectacle. Rated "PG."—**C.F.B.**

Michael York and Jenny Agutter encounter a half-man, half-machine (Roscoe Lee Browne) while making their escape in Logan's Run.

• Walt Disney Studios has released two new movies for the summer trade, and each will probably appeal to different segments of the "family" audience. *Gus* is an amusing potboiler about a mule who is signed up for a California pro football team, after he demonstrates an uncanny ability to kick 100-yard field goals. Edward Asner, Don Knotts, Liberty Williams and Tim Conway star in this plethora of sight gags that will appeal to the kids, but may become a bit tedious for the grownups. *Treasure of Matecumbe,* however, is the best Disney adventure in years, with a literate and sometimes witty script, and a continuous series of hair-raising escapades. Johnny Doran and Billy Attmore star as two boys on their way to Florida just after the Civil War in search of buried treasure. Along the way, they receive the unlikely aid of Joan Hackett, Robert Foxworth and Peter Ustinov. Vic Morrow is as evil a villain as can be found in a Disney movie. Much of the location photography is spectacular. Rated "G."—**C.F.B.**

SPOTLIGHT

In the small town of Pittsburg, Kansas, the spirit of Lysander Spooner lives on. Spooner, the nineteenth century individualist entrepreneur, delivered mail for about half of the Post Office rate until Congress passed a law putting him out of business. Today, a 32-year-old businessman named Robert Black supervises a delivery firm that directly challenges the Postal Service monopoly on first class mail. And the government, to the dismay of his customers, has already hauled him into court.

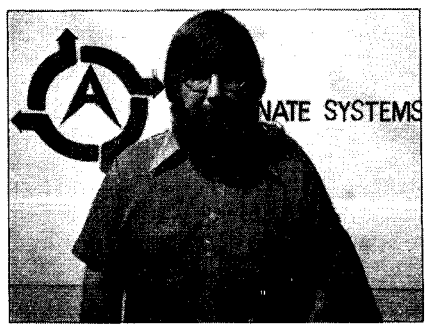
The new company has grown rapidly since it announced in March that the days of three-cent postage and penny postcards had returned. Black supervises 12 full and part-time employees, who deliver up to 8,000 items a day. His rates for a same-day delivery are only about half those for first-class delivery by the Postal Service, and his rates for second and third class mail go down to as little as a penny per item.

Death threats and conviction on a criminal misdemeanor charge have failed to deter Black, who is winning favorable coverage in papers ranging from the *Kansas City Times* to the *New York Times*. "The original plan was to simply compete on a local scale with the government service," Black says. "No longer.... Alternate Systems, Inc. is refuting all the government's arguments against allowing private competition. We are not skimming cream. Pittsburg, Kansas is not a metropolitan area."

The Postal Service is not applauding. The local postmaster in the town of 20,000, William Parker, Jr., says: "It really upsets me, and if nothing is done about it, it'll just be another contribution to the Postal Service going down the drain." Postal Service officials in Washington fear—with good reason—that the success of Alternate Systems, Inc. will encourage other free-market mail deliverers. For this reason, they initiated a legal action to quash the company's operations, claiming it has violated their legal right to deliver all first class mail.

In a motion seeking to dismiss the charges, Black replied that the postal monopoly is an unconstitutional infringement of free enterprise. He noted, in addition, that the monopoly may violate First Amendment rights to free speech, by driving up postal costs to the point where some people can not afford to use the mails. Predictably, on June 28, a U.S. District Court judge threw out the defense objections and found Black guilty.

It is not the first setback for Black, who moved to Kansas at the age of four when his father died. Despite winning numerous honors at the University of Kansas, he left in 1963 before graduating and spent the next three years in the Marine Corps. "I didn't like it," he recalls. "I found no libertarian sentiments there." Two jobs as a computer programmer followed, one terminating when he refused to comply with a dress code, and the other when his boss attempted to influence how his employees should vote in the 1972 election.



Robert Black

Ever since, Black has vowed to work for himself and to set his own rules. He and his wife, Judy, operate a successful carpet cleaning business, which provided the start-up capital for the corporation which has challenged the U.S. Postal Service. Black says he had no intention of entering the mail-delivery business until the latest postage increase. "Within the first week they claimed to need another increase to cover the loss in volume created by the previous increase," he says. "It became obvious that competition was needed."

Whatever sentence he receives for violating the postal laws, Black believes that the end of the postal monopoly is inevitable. "I feel Congress will eventually have to repeal the statutes, but this could take some time—and the proposed 34 cent rates—before it happens," he says. "We are committed to getting the issues of constitutionality and First Amendment rights before the Supreme Court as soon as possible. Our major obstacle is the high cost of justice." When the laws are removed, he foresees vast changes in the postal system. Local rates would be only about five cents; intra-regional rates about ten, and interstate rates about 15. In addition, the private post would probably process billings for utilities, doctors, and other local businesses, delivering them all in one envelope each month. Other savings would accrue to businesses which mailed locally rather than from a distant center, which many do now because of uniform postal rates.

The high cost of lawyers may hurt the prospects of Black's appeal; he would welcome contributions to help pay the legal expenses (112 West Sixth St., Pittsburg, KS). But the low cost of his service has already sold local users on the merits of private mail delivery. Some merchants complain that when advertising circulars are sent to the Post Office two days before a store sale, they do not reach the public until two days after the sale has ended. With that kind of service, the Post Office has few friends in Pittsburg, Kansas. And it may have given rise to one very dangerous adversary. ◻

Readers are invited to nominate persons to be featured in this column. Send details to Spotlight, c/o REASON, Box 40105, Santa Barbara, CA 93103

COMING NEXT MONTH

The October issue will feature an important new article by John McClaughry exploring how state land-use controls were defeated in Vermont. The issue will also feature an exclusive interview with Roger MacBride, presidential candidate of the Libertarian Party. Also in the issue will be Leonard Liggio on Gerald Ford, David Long on a revolt unique in U.S. history, and George S. Swan's thoughtful critique of today's libertarianism. In addition, Tibor Machan reviews Robert Moss's controversial new book, *The Collapse of Democracy*, and Alan Bock reports on impending developments in Washington, D.C.

SCI-FI

IN CONCLUSION

Is anybody out there? Oh, I know at least 30,000 people read REASON. And they're interested in all sorts of subjects.

Important things, too—from libertarian psychology and political philosophy to how to fight fires for profit and what to do about prostitution. I wish we had 10 or 100 times as many people reading about these topics—it might turn this country around.

But are there any science fiction fans out there? The editor must be one, or I wouldn't have started this column. And once in a blue moon, I do get a letter. Nothing worth printing in the REASON letter column in any case.

Does "Science Fiction in Perspective" even compete in reader popularity with the lust-lorn personal columns? I don't know. But I'd like to hope science fiction itself could have broad appeal among libertarians—after all, it's the most liberated fiction going, even when it isn't devoted explicitly to The Message.

There are two classes of REASON readers, I suppose, who aren't reading science fiction. First, there are those who don't know what it is, and couldn't care less. They are apathetic. In a time like this, it isn't a good idea to be apathetic about anything, but apathy is admittedly hard to cure. Second, there are the people who think they know what science fiction is—and can't stand it.

Terry Carr once edited an anthology for this second group: *Science Fiction for People Who Hate Science Fiction.* It was a pretty good anthology too, although whether it converted anybody is open to question. In the most recent columns, I've been dwelling on specific authors and books—sure-fire recommendations for people who *don't* hate science fiction and may feel at least a stirring of interest in it.

Maybe it's easier to hate science fiction nowadays than it used to be. There's so much *junk* coming out (Sturgeon's Law says 90 percent of everything, including SF, is crap): *Perry Rhodan,* a series called Laser Books put out by a schlock editor named Roger Elwood, novelizations of *Space 1999,* and other abominations. If any of you have picked these up and been disgusted, I can't blame you. But if you've judged science fiction by them, you've been had.

As it happens, I can offer some antidotes. I can't guarantee you'll enjoy them, but I can guarantee that if you don't, you won't enjoy *any* science fiction and at least won't have to worry about having misjudged the field.

First, is the *Science Fiction Hall of Fame* series. These volumes were originally published in hardcover by Doubleday, but forget about hardcover prices—if the Avon paperback editions aren't in stock at your chain bookstore outlet now, further printings soon will be.

The *Hall of Fame* books contain short stories, novelettes and novellas voted the best of all time by the 400-member Science Fiction Writers of America, through 1964 (the year the SFWA was founded and started giving out annual awards). All the top writers are represented, from H. G. Wells through Stanley G. Weinbaum and Murray Leinster to such still-active figures as Robert A. Heinlein, Fritz Leiber, Clifford D. Simak, Algis Budrys and Roger Zelazny. I'm not going to review any of the entries here—just promise you that they are representative of the best science fiction had to offer for the period covered.

For a look at the best of contemporary SF short fiction, there are the best-of-the-year anthologies. A word of warning: don't buy any edited by Harry Harrison and Brian Aldiss. Although they're veteran SF writers, they have such an inferiority complex about the field that they have made it their aim for the last 10 or 15 years to try to change it into something else—something else being a minor element in the "avant-garde" fiction of "little" magazines.

Terry Carr, whose "best" series is published in paperback by Ballantine Books, and Donald A. Wollheim, who has his own publishing house, DAW Books, are safe bets, however—if you don't find anything to like in their anthologies, you won't like science fiction at all.

Steering you to the annual "best" anthologies is deliberate. Short-fiction in the SF field has suffered in recent years, partly because of market factors, partly because of ill-advised editorial standards. The quality of fiction in the average SF magazine or original anthology nowadays tends to be uneven at best.

Two kinds of editors are contributing to the situation. The first kind, represented by Damon Knight (*Orbit*), wants SF to be part of the avant-garde and tailors his anthologies after *New American Review.* His anthologies *do* print good SF stories—but mostly contain mediocre avant-garde material, or fiction that may be good but is only vaguely related to SF. The second type, represented by Elwood, buys manuscripts by the truckload and wouldn't know a good SF story if he fell over it—anything to fill an anthology will do, as long as it isn't "obscene" or "anti-religious." Between the Knights and the Elwoods, few if any original anthologies represent science fiction at its best.

There are occasional exceptions: Ben Bova's *Analog Annual* (Paperback Library), for example. This isn't an issue of the magazine, but a one-shot paperback with better material than has gone into any single issue of the magazine lately. Terry Carr's *Universe* is often good—but often not.

Good novels are easier to find, and since all the good ones come out in paperback sooner or later, you don't have to break the bank to sample them.

Over the past year or so, this column has reported on some of the contemporary novels that are already becoming classics—Ursula LeGuin's *The Dispossessed,* Larry Niven and Jerry Pournelle's *The Mote in God's Eye,* and so on.

Some other recent examples that represent SF at its best but haven't become as famous as the LeGuin and Niven-Pournelle entries include:

- *Walk to the End of the World,* by Suzy McKee Charnas (Ballantine). Don't let the fact that it's a post-ecological disaster novel with a strong feminist slant put you off: even male readers should respond to the strong characterization and world-creation in this first novel.

(continued on page 49)

publisher's notes

• **REASON INTERNSHIPS:** If you have thoughts of making journalism a career, REASON may be able to help. We have put together an internship program to acquaint young journalists with the operation of the magazine. In the first three weeks, interns will have a chance to learn either the editing or publishing aspects of journalism. Depending upon the choice, the initial period will be spent on tasks such as copyediting manuscripts, writing for regular departments, and learning paste-up and layout. Internship will then research and write a major article on an aspect of government intervention, which will be criticized in detail by REASON editors, for publication in the magazine.

REASON believes that the internships will be a valuable experience for young journalists. They will also help to launch libertarians in a profession often unfriendly to free market thinking. If you are interested in the program, either as an applicant or as a prospective financial backer, contact Robert Poole, Jr. at P.O. Box 40105, Santa Barbara, CA 93103.

•**LOWERING TAXES:** Reason Press has just released a handbook of interest to anyone weary of paying high local taxes. In a study commissioned by the National Taxpayers Union, REASON editor Robert Poole, Jr. surveys the techniques used by enlightened municipalities to hold down spending. Much of the material is drawn from Poole's own consulting practice with local governments seeking to save money. The result is *Cut Local Taxes,* the first comprehensive guide to economizing in local government.

The National Taxpayers Union plans to promote the handbook as proof that local taxes are exorbitant. Because of the potential appeal to a wide market, the guide avoids theoretical arguments and emphasizes reforms that cut costs without reducing the quality of service. The clearly-explained examples show that privatization, performance contracting, and other new approaches regularly deliver more service for less money.

Copies are available at $2 apiece from Reason Press, Box 40105-H, Santa Barbara, CA 93103. Quantity discounts are available upon request.

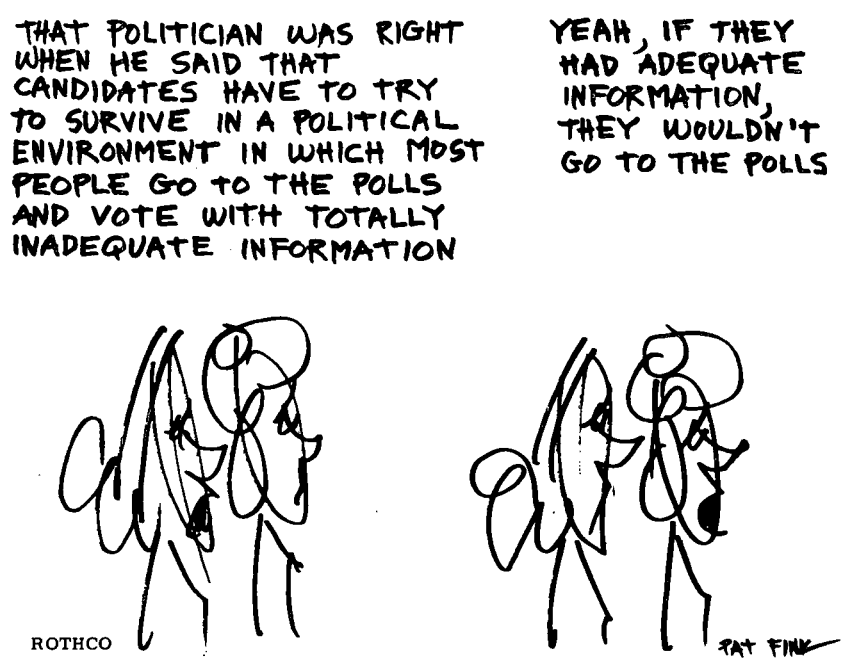
• **XEROX CAVES IN:** Xerox Corp. has sponsored significant television specials in recent years, and decided last winter to sponsor "the First Xerox Special in Print"– a lengthy essay by Harrison Salisbury, "Travels Through America," which was carried in the February issue of *Esquire.* Under the terms of the sponsorship agreement, *Esquire* chose both the subject and the writer, and Xerox paid Salisbury $40,000 for his six months' work on the essay, plus $15,000 in expenses, and it also placed $115,000 worth of ads. Xerox had no editorial control over the essay, and although the company was free to disapprove *Esquire's* selection, Xerox could not stop *Equire* from publishing the piece. Xerox's intent was "to help a magazine do something special which might be tough for them to do on their own." Presumably, Xerox also expected its business to benefit from the project.

Neither *Esquire* nor Salisbury were troubled by the arrangement, but E. B. White of the *New Yorker* published a critical letter asserting that the Xerox journalistic project "charts a clear course for the erosion of the free press in America." Because of White's contention that the "the funded article . . . is an invitation to evil," Xerox canceled two other Salisbury-type projects.

We regret that Xerox submitted to White's wrongheaded anticommercial concerns. We doubt that White would oppose government tax subsidies for education, as we do. At bottom, White's attack is directed against all paid advertisements in journals, newspapers, radio and T.V. He confuses the voluntary action of private entities with the coercive action of government. Xerox should be big enough to reassess its position, and, by the way, REASON would be happy to discuss a journalistic project with Xerox if they come around.

• **HOW TO GET IT:** We have received inquiries from readers asking how they can obtain a copy of *The Occult Technology of Power,* the anonymous satire which was favorably reviewed by Joe Cobb in REASON's May issue. The book may be purchased by sending $2.00 to Alpine Enterprises, Box 766, Dearborn, MI 48121.

In Paul Beaird's review of Lysander Spooner's *Natural Law* in the July issue, we mistakenly identified the publisher. The 4-page, 10 cent pamphlet, which was recommended by Beaird, was published by Laissez Faire Books, 206 Mercer St., New York NY 10012. For only 10 cents, you can obtain the pamphlet and Laissez Faire Book's current 50-page catalog. ◻


THAT POLITICIAN WAS RIGHT WHEN HE SAID THAT CANDIDATES HAVE TO TRY TO SURVIVE IN A POLITICAL ENVIRONMENT IN WHICH MOST PEOPLE GO TO THE POLLS AND VOTE WITH TOTALLY INADEQUATE INFORMATION
YEAH, IF THEY HAD ADEQUATE INFORMATION, THEY WOULDN'T GO TO THE POLLS
ROTHCO
PAT FINN

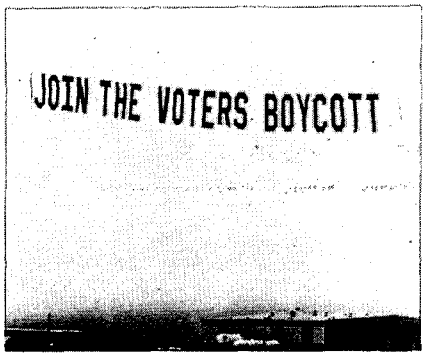
FRONTLINES

TURN ON, TUNE IN, DROP OUT

From the beginning of the Republic, pundits and politicians have told us of our "duty to vote" and to take an active role in politics. Children are taught in the public schools that "the majority rules," and adults continue to believe that a majority of their fellow citizens voted for the culprits who tax them, police them, and bore them to tears.

A few years ago, *Sy Leon,* who succeeded Bob LeFevre as head of Rampart College in Santa Ana, CA, organized the *League of Non-Voters, Box 1406, Santa Ana, CA 92702.* If Ralph Nader can get credit for representing consumers, or John Gardner can get credit for representing concerned citizens, Sy Leon has declared that he can get credit for all those voters who ignore elections. The League of Non-Voters speaks for the silent, passive majority.

Prior to the California primary elections last spring, the League of Non-Voters rented an airplane on the Memorial Day weekend and the weekend immediately prior to the election. The plane flew over the coast of California from Long Beach to Anaheim, and was visible to several million people. The banner is legible in this photo, although the plane is out of the picture.



In the press release which announced the publicity stunt, the League of Non-Voters pointed out that Governor Jerry Brown was elected by fewer than 20 percent of the citizens of California in 1974, with 65 percent refusing to waste time at the polling booth. If the press thought about that, they might wonder at the true significance of the Democratic and Republican conventions—and the question might be opened: who are these delegates, whom do they really represent, and what sort of fraud has been put over on the American people?

The League of Non-Voters, of course, supports the plan to add "None of the Above is Acceptable" to the ballot. The press release continues with the threat that until the election laws are changed to include "None of the Above," the voters will continue to boycott the polls. Every politician and tax-receiver in California, to be sure, had a sleepless night.

Earlier this year, the Libertarian Party's petition drive in California to put "None of the Above is Acceptable" on the ballot failed with only a miserable thousand or so signatures collected by the deadline—and a popular idea, which the media enjoyed and the State of Nevada adopted by legislation, fizzled. The MacBride for President campaign has encountered similar problems—but has managed to achieve a remarkable showing. Now, the LP has targeted California for its last major petitioning effort of the campaign, to place MacBride and Bergland on the ballot as independents. Contact *MacBride for President, 1299 Bayshore Highway, Burlingame, CA 94010 (415) 347-1095.*

BUILDERS MOVE AGAINST RESTRICTIONS

At a time when new housing starts are flagging, home builders across the country are organizing to abolish zoning and building ordinances that they believe push up construction costs by 10 percent.

The National Association of Home Builders has recently formed a panel to coordinate the deregulation movement. Led by a North Carolina builder, John Crosland, it is directing attention to controls that are "putting people out of the market" by forcing them to pay for such items as smoke detectors and outdoor electrical outlets—whether the consumer wants them or not.

Builders are particularly upset by obstacles to building "no frills" houses. Not only do conflicting local codes prevent standardized construction, but Federal and other restrictions dictate street widths and even such matters as window-sill heights. As a result, builders observe, low-cost housing is beyond the reach of many families.

Most officials deflect the criticisms with claims that the builders are padding costs and not being "innovative" in the face of rising land prices. The chief of the Florida Bureau of Codes and Standards, however, admits that the regulations do drive up the costs of new housing. As first targets for reform, the official, Jack Haslin, suggests those codes that specify mandatory material and sizes for wiring, pipes, and other equipment.

SAVE THE CITIES—AND MAKE A PROFIT

According to the recently-formed *Association for Rational Environment Alternatives, 1169 Summit Rd., Santa Barbara, California 93108,* cities have virtually ignored an alternative to government renewal programs in decaying areas. Aging buildings, AREA points out, provide ideal, low-cost spawning grounds for new enterprises. The association intends to explore this theme in a conference to be held this fall in Houston, the only major American city with no zoning laws.

Members of the audience will hear evidence that zoning laws, building codes, and punitive taxes hamper the natural renewal of cities by private developers. To illustrate the point, tours will be organized to show firsthand the renovation that has been achieved in Houston that would be frustrated in other cities. Developers will explain how they have used the city's relative freedom to renovate and refurbish structures—and to make a profit.

Information about the conference is free for the asking. AREA also invites libertarians to join the association: memberships are $24 a year for those who deal with land use, urban, and environmental issues as a career, and $12 a year for associate members. Members receive a lively bimonthly newsletter featuring news about land use trends, and about the activities of AREA officials and board members, who include Eugene Guccione, John McClaughry, Petr Beckmann, and other well-known libertarians.

Joe Cobb

This column is concerned with an analysis of the activities on the "frontlines" of the battle of political principles, and with the people who are active in the struggle. Please send news and ideas to Joe Cobb, Box 1776, Chicago, IL 60690 for consideration and use in FRONTLINES.

THERE'S MORE TO FREEDOM THAN SLOGANS

Everybody claims to be in favor of "freedom." Yet how many people really understand what it's all about? Consider the businessman who's all for free competition . . . unless his competition is named IBM or is Japanese. Or the mayor who wants plentiful transportation . . . but outlaws jitneys. Or the military leader who wants to defend freedom . . . using conscripted labor. Or the citizen who's all for free speech and press . . . so long as the material isn't "obscene." Each wants freedom for the things he considers important, but at the expense of somebody else's freedom.

At REASON Magazine, we believe in freedom for *everyone.* With Herbert Spencer and John Stuart Mill, we believe a person should be free to take any action, so long as it does not interfere with the liberty of anyone else. We call this point of view *libertarianism.* It is unabashedly individualistic, capitalistic, and (we think) reasonable. Moreover, this voluntaristic, free market approach points the way toward solutions to many of the problems created by the unbridled growth of Big Brother statism — like war, taxation, the energy crisis, and inflation.

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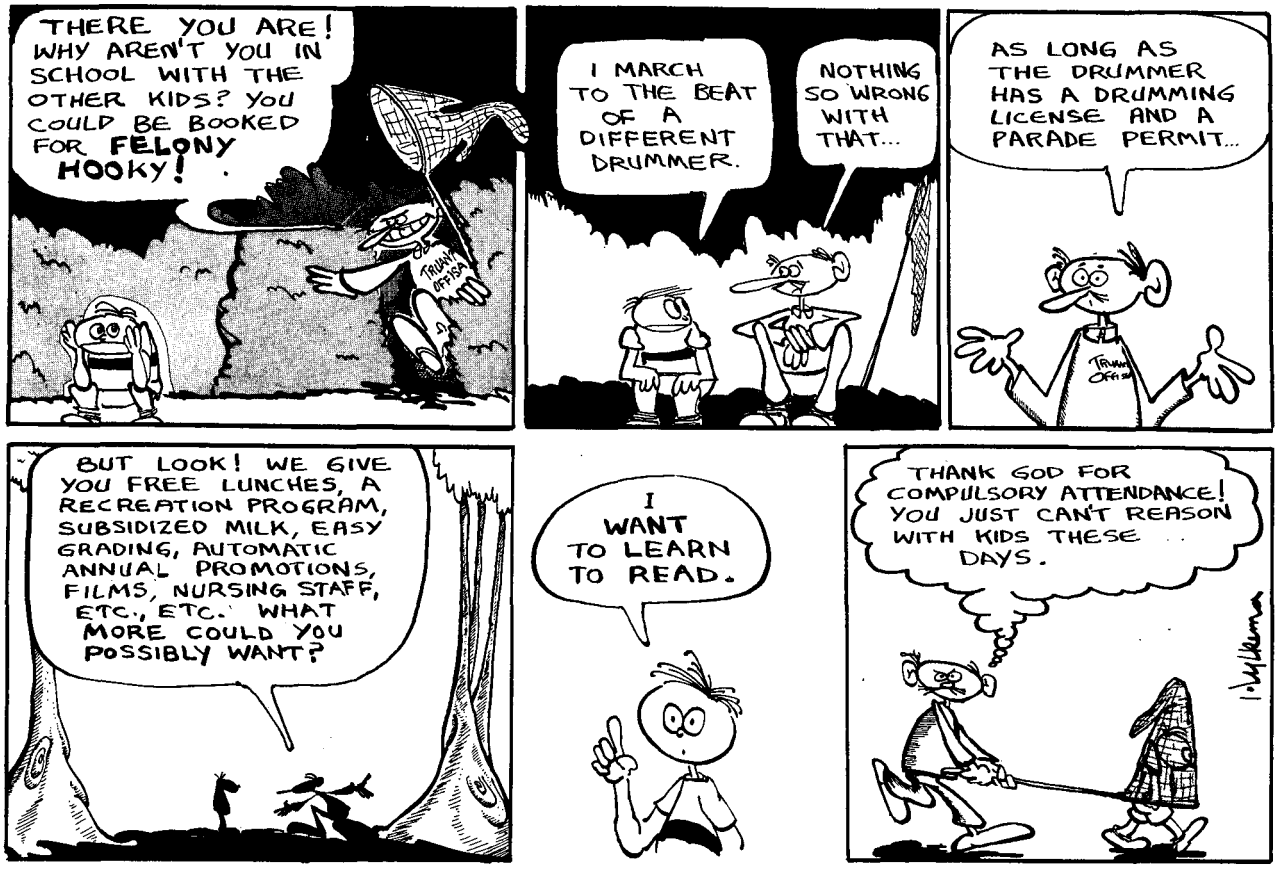
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THANK GOD FOR COMPULSORY ATTENDANCE! YOU JUST CAN'T REASON WITH KIDS THESE DAYS.

BOOKS

(continued from page 41)

learned by putting a similar emphasis on direct experience. The following describes an incident at a learning center I conducted for nursery children:

A group of children sits at a table in front of a large bowl of water. By the bowl are corks, buttons, small rocks, a jar lid, sponges, marbles, rubber bands and wooden beads. To one side, a large tagboard sheet shows pictures of sinking and floating objects. The words "sink" and "float" are printed beside the appropriate picture.

One by one, the children test the objects to see if they float or sink—and then place them near the corresponding picture on the tagboard. Although there is an attractive variety of indoor and outdoor activities to choose from, each child voluntarily and patiently awaits his turn.

Some have brought objects that they want to test. All are especially interested in the object one boy picks up. It is a jar lid. He finds that if he puts it down flat it floats, but if he pushes it down, it sinks and stays down. After talking with the teacher, the child decides to place the lid in between the "sink" and "float" pictures.

Subsequently, almost all children, except some of the youngest, push floating objects down to the bottom to see if they stay down before they decide on which side of the board to put them.

After publishing an edition of *Workjobs* for teachers describing such learning methods, Ms. Lorton found that many parents were very enthusiastic about the book and had started to make learning centers for their children at home. As a result she selected activities from the original *Workjobs* that seemed most appropriate for home use and published them in a smaller, less expensive edition, *Workjobs . . . for Parents.*

With each "Workjob," the second book lists skills to be developed from the learning activity and also materials needed to construct it. It is most important to read the introductory sections and the "How and why" sections of the book, however, if you are to present the materials effectively. The introduction covers such questions as "At what age should I introduce an activity to my child?" and "What do I do when my child makes a mistake?"

On page 18 of *Workjobs,* for example, Ms. Lorton emphasizes the need to individualize your approach for each child. She points out that ideas for followup discussion are given for each workjob. With one child you may cover all skills; with another, one or two. ". . .[A]nd with still another, because she (the instructor) is following the child's cues, she may find the listed possibilities not appropriate at all."

In "One Last Note" the author leaves the reader with some invaluable advice. Not every parent enjoys teaching his child. If you don't, it doesn't mean you are a bad parent. She suggests that perhaps, if this is the case, you can have the fun of making the materials, and find someone else who enjoys teaching your child. What is important is that you provide "positive and accepting experiences for your child through which you grow closer together." ◻

Mary Naylor has worked as a nursery school teacher for more than eight years. At present, she team-teaches children from ages two through five.

SCI-FI

(continued from page 44)

• *The Warriors of Dawn,* by M. A. Foster (DAW). This is a space opera—but not the wild-and-woolly kind made famous by E. E. Smith. It's literate and moving, and Foster (a male writer and an Air Force colonel at that) handles his male and (mutated) female protagonists with as much sensitivity and insight as LeGuin.

• *Little Fuzzy,* by H. Beam Piper (Ace). Not really new, but out of print so long it might as well be. Piper's hero is a prospector on the planet Zarathustra who fights for the rights of a newly-discovered alien race—the intelligence of which powers-that-be refuse to recognize for reasons political and economic.

• *The Birthgrave,* by Tanith Lee (DAW). An epic heroic saga of the traditional sort, save that the protagonist is a woman (as is Lee, a British writer whose first novel this is). More than twice the length of the average SF novel, it has room to explore in depth both the heroine and the strange world she inhabits.

• *Farthest Star,* by Frederik Pohl and Jack Williamson (Ballantine). This is space opera of a more traditional sort, by two old hands at the form. You have to have a taste for the incredible: people who create "duplicates" of themselves, a "world" as vast as a galaxy and aliens galore.

Tastes in SF vary—not all SF fans enjoy *all* of the above. But if you don't enjoy any of them, then the genre probably isn't for you. These works are science fiction—not the atrocities you see on television, or UFO "I've been" stories in the *National Enquirer,* or Erich von Daniken's insanities, or any piece of crap that happens to be dumped on the "science fiction" rack of your local bookstore.

There isn't much fiction around that can be both thoughtful *and* entertaining. If you think you know what science fiction is, or think you don't want to know—check your premises (fine old libertarian slogan, that). You might discover you've been missing something. ◘

This column marks John J. Pierce's last regular appearance in REASON's pages. He will return with occasional reviews of noteworthy SF books. Next month REASON will inaugurate a new Washington column in place of the science fiction column, which ranked last in a survey of reader interest.

CLASSIFIED

(continued from page 50)

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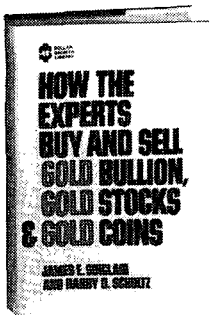
(continued on page 49)



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